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# GI BILL PROGRAM

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## HEARING

BEFORE THE

SUBCOMMITTEE ON
EDUCATION, TRAINING AND EMPLOYMENT

OF THE

COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES

ONE-HUNDREDTH CONGRESS

FIRST SESSION

WEDNESDAY, FEBRUARY 18, 1987

Printed for the use of the Committee on Veterans' Affairs

**Serial No. 100–2**

U.S. GOVERNMENT PRINTING OFFICE
72-772 O WASHINGTON : 1987

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# GI BILL PROGRAM

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WEDNESDAY, FEBRUARY 18, 1987

House of Representatives,
Subcommittee on Education, Training and Employment,
Committee on Veterans' Affairs,
*Washington, D.C.*

The subcommittee met, pursuant to call, at 1 p.m., in room 334, Cannon House Office Building, Hon. Wayne Dowdy (chairman of the subcommittee) presiding.

Present: Representatives Montgomery, Solomon, Dowdy, Smith of New Jersey, Wylie, Jontz, and Patterson.

Also present: Representatives Schroeder, Bateman, and Pickett.

## OPENING STATEMENT OF HON. WAYNE DOWDY

Mr. Dowdy. We will call the committee to order.

I want to welcome you all to the first hearing of the Subcommittee on Education, Training and Employment in the 100th Congress. We are meeting today to review H.R. 1085, a bill authored by the chairman of the full committee, Sonny Montgomery, and cosponsored by 174 Members of the House. This bill would make permanent the educational assistance program for members of the All-Volunteer Force under chapter 30 of Title 38 and the program of educational assistance for members of the Selected Reserve under chapter 106 of Title 10. Together, these programs are generally known as the New GI Bill.

During the past several years, two issues of particular concern have been widely debated in this country. The first is the importance and availability of high quality education for our Nation's citizens. The second is achieving and maintaining a strong national defense. With the enactment of the New GI Bill in October 1984, the Congress took an important step toward addressing both issues. the New GI Bill provides an excellent opportunity for post-secondary education and training to thousands of young people who, but for this program, might not be able to further their education. At the same time, the New GI Bill provides a cost-effective means to strengthen our national defense by recruiting high quality young men and women.

Last week I visited service training bases with Chairman Montgomery and many of the individuals who will be testifying before the subcommittee later today. I was impressed by the enthusiasm expressed for the New GI Bill by those in positions of command. I was even more impressed, however, by the interest in the program shown by the young recruits. By their questions and comments, these young people demonstrated a deep appreciation for the importance of education in their lives and a definite ability to know a good deal when they see it. At Fort Knox, the statement was made, "If you give a recruit a dollar today, it will be gone tomorrow. If you give a recruit an education, it will be with that recruit the rest of his life." The young people we met understand the truth and wisdom in that statement and are grateful that in exchange for honorable service they will be provided the means to pursue further education and increase their skills.

Our newest service members are bright, ambitious and eager to serve their country. They are also entering the military to get an education, and they know the New GI Bill is one of the most effective programs available to them.

They know that if they choose to leave the service after completion of their enlistment, the New GI Bill will assist them in their readjustment to civilian life. They also know that if they choose to stay in the military, they can use their education benefits while they are on active duty. The men and women we met and talked with last week are the future leaders of our Nation—military leaders, community leaders and national leaders—and I can assure you our future is in good hands.

In response to the President's State of the Union Message last month, the Speaker of the House, Jim Wright, stressed that in the 100th Congress education would be in its rightful place at the pinnacle of our national priorities. He pointed out that the best financial investment this country ever made was the GI bill established at the end of World War II. We on this committee agree with the Speaker and know that the New GI Bill will provide the same dividends as did its predecessors—dividends to the service members, to the Armed Forces and to the Nation.

There is broad, bipartisan support for continuation of the New GI Bill in both the House and Senate. The Senate Veterans' Affairs Committee held hearings on this issue earlier this month, and Senator Cranston and Senator Murkowski have long been staunch advocates of the New GI Bill. The time for testing is over. The time has come to make the New GI Bill a permanent program.

Before we proceed to our first witness, I want to give the ranking minority member of this subcommittee, Chris Smith of New Jersey, an opportunity to make a statement. Chris, I look forward to working closely with you during the 100th Congress.

[The prepared statement of Congressman Dowdy appears on p. 62.]

## OPENING STATEMENT OF HON. CHRISTOPHER H. SMITH

Mr. **Christopher H. Smith**. Thank you, Mr. Chairman.

First of all, I want to thank you for convening this hearing to look at and discuss H.R. 1085, to make the New GI Bill program permanent. The distinguished chairman of our full committee is the father of the New GI Bill, which is now a test program. I think it is significant that every member of the House Veterans' Affairs Committee has cosponsored H.R. 1085. I thank our chairman for his tenacious work on behalf of this vital piece of legislation.

Mr. Chairman, we know from talking with commanders and new recruits that the New GI Bill test program has been a tremendous success. Rarely have I seen a level of enthusiasm and consensus for any government program to match that which exists for the New GI Bill.

Thanks in large part to it, the military services have the highest quality recruits ever to join up. And everybody comes out a winner: the recruit, the Department of Defense and our Nation as a whole.

Improvements have been suggested for the New GI Bill and possible ways to improve the program are being considered by this committee. However, I agree with Mr. Montgomery that we ought to keep first things first and elevate this program from a test status to a permanent status. Then we can consider how to make a great program even better. It certainly is obvious how I feel about the New GI Bill. I have expressed this time and time again in this committee, as well as the floor of the House. I am going to vote to make it permanent.

Mr. Chairman, we have many witnesses who are going to testify about the program this afternoon. While there is little doubt about how our subcommittee markup will go, it is important for us to demonstrate the strength and depth of the support for the New GI Bill. DOD and VA officials, representatives of respected military associations and veterans' groups will share their valuable experience and insights with us, and I look forward to learning what they will have to say on this important subject.

Thank you, Mr. Chairman.

[The prepared statement of Congressman Smith appears on p. 79.]

Mr. Dowdy. Thank you very much, Mr. Smith. We are pleased to have with us also the Ranking Member of the full Veterans' Affairs Committee of the House. It is my pleasure to call on my colleague, Jerry Solomon from New York. Mr. Solomon.

### OPENING STATEMENT OF HON. GERALD B.H. SOLOMON

Mr. Solomon. Thank you very much, Mr. Chairman.

I am going to be very brief because we have a long line up here today. But I really want to thank you and, of course, Sonny Montgomery, who is going to make a statement here in a minute, for organizing the oversight hearings we had at the four military bases this past week. It certainly was extremely enlightening to me and I know all members of the committee.

I can recall back in 1979 having visited Paris Island, S.C., the stark difference today in the military recruitment bases. The kind of recruits that we are getting, is just really something to see. I, for one, believe that the peacetime GI bill has a lot to do with the kind of recruits we are getting today. Not only is the peacetime GI bill a good recruitment tool and a good retention tool as well, but it is still a readjustment program for those young men and women who serve in our military. They always lag behind their peers who have gone on to college or work and have moved up the promotion ladder. They never quite catch up. That is what the peacetime GI bill is all about.

When they do live up to their obligations as U.S. citizens and serve their country, they ought to have that opportunity to catch up, and certainly I think the peacetime GI bill is a big step in that direction.

I just want to thank all of you and thank all of those who traveled with us from the veterans' organizations as well as the military associations because your input and the input you will give us today is going to help us make this peacetime GI bill Sonny Montgomery "grandaddied" I think somebody said on the trip, to make it permanent like it should be. Thank you very much, Mr. Chairman. Let's get on with it.

Mr. Dowdy. Thank you, Mr. Solomon.

We will call on our colleague, Jim Jontz, from Indiana who was also with us last week on our field hearings. Jim.

### OPENING STATEMENT OF HON. JIM JONTZ

Mr. Jontz. Thank you very much, Mr. Chairman.

Let me say how pleased I am to be at this hearing this afternoon and to be a cosponsor of this legislation, and how appreciative I was of the opportunity to participate in the trip last week and how helpful that was. We do have a long list of witnesses this afternoon.

Our distinguished Veterans' Committee chairman, Mr. Montgomery, was so bashful during the trip in expressing his true feelings about this GI bill that I am looking forward to hearing his testimony this afternoon. I think it will be very enlightening.

Thank you very much.

Mr. Dowdy. We are very pleased to have our colleague from South Carolina, Liz Patterson.

### OPENING STATEMENT OF HON. ELIZABETH J. PATTERSON

Mrs. Patterson. Excuse me for being late. Let me just sort of second what my colleague to my left has just said. It is a real honor for me to be here and to be serving with our distinguished chairman, Mr. Montgomery, and I hope today that I can learn more so that I can be—as I am a cosponsor of this legislation—but be a strong advocate with others who are not sponsors so we can get this legislation passed and see it on the books in the very near future. I look forward to your testimony.

Mr. Dowdy. All right. We want to thank all of you for being present. It is a great honor for me to have the opportunity to introduce our lead-off witness. When I was first elected to the House of Representatives, I was given the opportunity to meet for the first time then-retired former Senator, President Pro Tem, Jim Eastland from Mississippi. I was ushered into Mr. Eastland's office and at some point in our conversation he said he wanted to give me some advice. He said he wanted me to remember to do two things as a young Congressman. He said "You always remember to be quiet and always vote with your chairman."

I hope Sonny Montgomery will vouch for the fact I have followed Senator Eastland's advice. Sonny Montgomery is the father and the chief architect of the New GI Bill, and, Mr. Chairman, we look forward to your testimony.

## STATEMENT OF HON. G.V. (SONNY) MONTGOMERY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSISSIPPI, AND CHAIRMAN, FULL COMMITTEE ON VETERANS' AFFAIRS

Mr. MONTGOMERY. Thank you, Mr. Chairman. I notice you started the meeting right on time.

Mr. Chairman, let me congratulate you on assuming the chairmanship on the Subcommittee on Education, Training and Employment. I am delighted you are holding this hearing and that so many members are present. I want to welcome my good friend who just came in, Pat Schroeder, who is on the Subcommittee on Personnel of the House Armed Services Committee. We invited the members of that subcommittee to attend today and expect that there might be others who will come in later.

I appreciate having the opportunity to talk about the New GI Bill and legislation to make it permanent. H.R. 1085 makes no other changes in the existing program, and 174 of our colleagues have joined as cosponsors of this bill.

I have just seen the Speaker of the House, and he is very supportive of the New GI Bill. He wants to bring this legislation up as soon as possible, and he wants to bring it up as separate legislation. If he gets the opportunity today, Mr. Chairman, he will come over and make his own statement. He wants to move H.R. 1085 as soon as possible.

The future of the New GI Bill is one of the most critical issues we must act on in this session. This legislation was jointly referred to the Armed Services Committee. I hope to get early action by the Armed Services Committee and have the bill to the floor, as I mentioned, by the end of March. I am optimistic that we can complete action on H.R. 1085 in record time.

Mr. Chairman, you and several other members of the Education Subcommittee, along with representatives of military associations and veterans' organizations, were with me last week on our visit to service training bases where we had the opportunity to observe first-hand the enthusiasm for the New GI Bill expressed by base commanders, recruiters, trainers and especially the recruits themselves. I know you will agree with me that those in the best position to evaluate this program gave it an "A" plus. It is succeeding as a very important readjustment benefit. As secondary benefit is that it has proven to be a recruiting tool for all the services. It is a program which is going to greatly benefit the Nation as a whole.

On October 19, 1984, the New GI Bill was signed into law. It was a day that marked the culmination of more than 4 years of hard work on both sides of Capitol Hill to further ensure the Nation's strength and security. Already we can look back on that day as one of the most important in the history of our country's Armed Forces.

On January 28, 1981, I first introduced and some of you cosponsored, H.R. 1400, a bill to establish the New GI Bill. Prior to that date, we had worked for over 8 months with the military service departments to lay the ground work for this legislative proposal. It has proven to be time well spent. the New GI Bill is fulfilling the purposes set out by Congress. First and foremost, it will assist in the readjustment of members of the Armed Forces to civilian life after their separation from military service. It is providing education assistance for tens of thousands of young men and women who otherwise might not be able to go to college or pursue other postsecondary training/education.

A first century philosopher observed only the educated are free. This statement is still true as we move into the 21st Century, and it is our responsibility to enable those who protect our freedom to also pursue their personal freedom and self-improvement through education.

In addition to facilitating readjustment, the New GI Bill is designed to attract high quality personnel to the Active and Reserve components of the Armed Forces. Without the New GI Bill, the services would be forced to compete with an expanding job market and educational institutions in order to attract high quality young people and larger percentages from a shrinking pool of eligible recruits. However, since the implementation of the New GI Bill, and because of it, the Congress and the military have forged a new, stronger alliance with our community colleges, universities and training institutions to ensure that those individuals who desire further education may do so and may do so with the knowledge that they earned it in service to their country.

Several of our witnesses who will testify later this afternoon accompanied us when we visited basic training bases last week. I know they gained a deeper insight into the importance of the New GI Bill. It is very important that we get out of Washington and into the field so that we can talk with those who really know what is important to recruits and the services. Brigadier General Paul Funk, of the Armored School at Fort Knox told us he had commanded troops in the 1960s, the 1970s and in the 1980s. He said that young people coming into the Army today are the best ever. According to General Funk, the New GI Bill has made the army a great place to soldier.

The Adjutant General of Kentucky, General Billy Wellman, told us, "the New GI Bill is the most attractive and important benefit we have to offer. I don't know of any other program more important to the Military, Guard, Reserve and Active Forces, than the New GI Bill."

Mr. Chairman, as far as I am concerned, statements like these and others we heard last week make the case for establishing the New GI Bill and make a strong case to make it a permanent program. This is a bipartisan effort with 174 original cosponsors. The Speaker of the House is totally behind it, and I want to thank you for giving me this opportunity to be the lead-off witness and for having this hearing this afternoon. Thank you very much.

[The prepared statement of Chairman Montgomery appears on p. 71.]

Mr. DOWDY. Thank you very much, Mr. Chairman, for your leadership on this issue.

Mr. Smith.

Mr. CHRISTOPHER H. SMITH. Thank you.

The distinguished chairman, Sonny Montgomery, is fond of saying this is the only committee in Congress that applauds their witnesses. I would like to note there is no chairman in the House more fair, courteous, or helpful to members of the committee than this distinguished chairman, Sonny Montgomery. No chairman in the House is more committed to the subject matter under its jurisdiction than this distinguished chairman. I say that very sincerely. I have been on this committee since first being elected in 1980, and it has been an honor to serve with you, Sonny.

Mr. MONTGOMERY. Thank you very much, Chris.

Mr. DOWDY. Thank you very much, Mr. Chairman. We want to welcome our colleague from Colorado, Pat Schroeder, who is a member of the Personnel Subcommittee on Armed Services. Pat, do you have any comments?

Mrs. SCHROEDER. I want to join in thanking the chairman. We are working hard to move it out of Armed Services very rapidly and looking to this committee for leadership, because I think the main concern has been that it gets out and it gets funded and they don't play games with it.

I think the gentleman from Mississippi has seen lots of games played. Everybody wants to be both for it and against it, or at least some people have. So I salute his getting it on the fast track and everybody helping.

Mr. DOWDY. Chalmers Wylie, a member of the committee.

Mr. WYLIE. Thank you.

I would like to associate myself with the previous remarks. I would associate myself with the remarks of Chris Smith. Chairman Montgomery is the father—I use the word advisedly—of the All Volunteer GI Bill, and he has certainly made this his number one priority, and we on this side are going to give him help in getting this bill out.

Mr. DOWDY. I would also like to welcome our colleague from Virginia, Herb Bateman, a member of the Armed Services Committee.

Mr. BATEMAN. Delighted to be here. You can see how bipartisan we are.

Mr. DOWDY. We will call our next panel of witnesses representing the Veterans' Administration. All the witnesses this afternoon will comply with the 5-minute rule. We will insert your prepared statements into the record. Our first panel is from the VA. Mr. R.J. Vogel, Chief Benefits Director. Mr. Vogel, if you would, I would ask you introduce those who accompany you.

## STATEMENTS OF R.J. VOGEL, CHIEF BENEFITS DIRECTOR, VETERANS' ADMINISTRATION, ACCOMPANIED BY GRADY HORTON, DEPUTY CHIEF BENEFITS DIRECTOR FOR PROGRAM MANAGEMENT; DENNIS R. WYANT, DIRECTOR, VOCATIONAL REHABILITATION AND EDUCATION; AND JAMES P. KANE, ASSISTANT GENERAL COUNSEL

### STATEMENT OF R.J. VOGEL

Mr. VOGEL. Thank you. To my right is James Kane, Assistant General Counsel of the Veterans' Administration; and to my left, Dr. Dennis Wyant, Director of the Vocational Rehabilitation and Education Service of the Department of Veterans' Benefits.

Mr. Chairman, let me say how pleased I am to be here today to give you our views on making the New GI Bill permanent. We at the VA have a rich history. Since June 1944, over 18 million veterans and service persons have trained under three GI bills for a total cost of some $60 billion. The GI bill has been acclaimed by many observers as the best investment America ever made. For over four decades since the original GI bill, the Veterans' Administration, working with the Congress, has responded to the requirements of the law while at the same time trying to be flexible in adapting to emerging policies of the educational community, veterans' needs and governmental priorities.

In October 1984, Public Law 98-525 was enacted bringing into being the New GI Bill test program. This new law, as amended by Public Law 99-576, provides a program of educational benefits not only for servicepersons and veterans but also for reservists.

the New GI Bill Reserves was the program with the first significant number of trainees. To the end of January 1987, close to 46,000 reservists will have trained under this program. We are projecting that number of trainees will peak in fiscal year 1989——

Mr. Dowdy. Excuse me for interrupting, but we are very honored to have with us at this time the Speaker of the House. As we said earlier, the Speaker made comments on national television about the importance of the GI bill. Mr. Speaker, we welcome you, we thank you for your interest in this legislation. Mr. Vogel, if you would keep your seat, we will ask Mr. Wright, the Speaker, if he would, to come forward at this time and make whatever comments he has.

## STATEMENT OF HON. JIM WRIGHT, SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES

Speaker Wright. That is very gracious. I surely wouldn't want to interrupt the testimony nor to intrude into your committee's hearing. I am here just to be in a supportive role and to encourage you and to thank you for taking up this legislation.

I think it is one of the important things that faces us. The GI bill of rights truly was, I believe, the most dramatically sound investment that we have made in my lifetime. I believe it has paid off in so many ways that they almost are countless. So I encourage you. I just wanted to drop by and give each of the members of this committee my best wishes and my expressions of appreciation for your expeditious consideration of this bill which I think is one of the important things that we can do in this Congress.

[Applause.]

Mr. Dowdy. Again we thank you, Mr. Speaker, very much.

Mr. Vogel, we thank you for allowing us to interrupt your testimony. If you would proceed.

Mr. Vogel. Thank you, Mr. Chairman.

We are projecting the number of trainees will peak in fiscal year 1989 at about 140,000. Over time we do expect that the larger program will be the New GI Bill Active Duty. Close to 180,000 trainees are expected in fiscal year 1992. The number of trainees in the program is low right now because few individuals have yet served long enough to become eligible for training. In fiscal year 1987, we expect 800 of these trainees. With all this background out of the way, Mr. Chairman, I want to say that the aAministration supports making the New GI Bill permanent.

There are two changes to the current operations of the program that are proposed in the President's 1988 budget. These are, one, to shift the funding responsibility for the basic benefit from VA to DOD and, two, to restructure the basic benefit so as to offer progressively lower benefits for shorter terms of service. The Administration strongly urges that any amendatory GI bill legislation which this subcommittee may be considering include all the changes to in the New GI Bill proposed in the President's budget.

That concludes my testimony, Mr. Chairman. I would be glad to respond to any questions from you or the members of the subcommittee.

[The prepared statement of Mr. Vogel appears on p. 83.]

Mr. DOWDY. Thank you very much, Mr. Vogel, for your statement. We understand that the Department of Defense is going to recommend a reduction in the basic benefit. If this were to happen, what in your opinion would be the effect on the New GI Bill as a readjustment benefit?

Mr. VOGEL. My personal view is that it would severely impair the readjustment benefits aspect of the New GI Bill. A low amount of educational assistance, with the cost of today's education would be virtually meaningless for a separated veteran.

Mr. DOWDY. Mr. Smith.

Mr. CHRISTOPHER H. SMITH. Thank you, Mr. Vogel, for your testimony. I am pleased and delighted the Administration supports making the GI bill permanent. Although you noted you would like to see some changes as we move along, those will be contemplated.

One question: Does the VA have adequate personnel in anticipation of some of the numbers you have cited to carry forward with the program, and do you also have sufficient funding?

Mr. VOGEL. Mr. Smith, we have had a fall-off in the caseload in compensation and pension and in the vocational rehabilitation areas. We think that we can divert the resources otherwise used in those program areas to the administration of both the Chapter 106 and the Chapter 30 program.

Mr. CHRISTOPHER H. SMITH. Do you anticipate requesting in fiscal year 1988 additional funds for the program?

Mr. VOGEL. The funding needs for the program in 1988 are based on our projections working with the Department of Defense and the number of accepted——

Mr. CHRISTOPHER H. SMITH. What is requested will fit the need?

Mr. VOGEL. Yes, sir.

Mr. CHRISTOPHER H. SMITH. Thank you. I yield back.

Mr. DOWDY. We will ask Mr. Montgomery, the chairman of the full committee, if he has any questions of this witness.

Mr. MONTGOMERY. No.

Mr. DOWDY. Mr. Solomon, the ranking member of the full committee.

Mr. SOLOMON. Mr. Chairman, I don't have any questions at the present time. We do want to thank the Veterans' Administration for their support of making this peacetime GI bill permanent. I think we are going to hear some testimony later on, testimony that I agree with, that there are changes that need to be made. However, our chairman, Sonny Montgomery, has said the main thing right now is to get this program permanent and advertised, and from there we will work to make what changes we can. I will be working with you, and we appreciate your coming before us today.

Mr. DOWDY. Thank you. Jim Jontz?

Mr. JONTZ. No questions.

Mr. DOWDY. Mrs. Patterson?

Mrs. PATTERSON. No questions.

Mr. DOWDY. Any other member of the panel have any questions of these witnesses?

Mr. WYLIE. I would like to ask one question.

As I understand it, and I didn't hear it in the testimony, but you have a little difference of opinion as to how the program should be funded. Is that right?

Mr. VOGEL. My personal opinion, Mr. Wylie?

Mr. WYLIE. Yes, your personal opinion.

Mr. VOGEL. That question has been posed by both the Full Committee in the House and Senate. The VA has been in the GI bill administration business for a long time. We are proud of what we have done. There was a significant give and take between the Administrator and the Executive Office of the President on the issue of funding the New GI Bill.

Consistent with past practice, my personal opinion is that if the funding and the policy and procedures were in one agency, the Veterans' Administration, we could march on in the future with this program as we have in the past with previous GI bills.

Mr. WYLIE. Thank you, Mr. Chairman.

Mr. DOWDY. Thank you for your testimony. We would ask unanimous consent of the members of the subcommittee to keep the record open for any additional questions that may be asked. Mr. Vogel, we would ask that you and the other witness today respond to those written questions.

Mr. VOGEL. Thank you, sir.

Mr. DOWDY. Mr. Chairman?

Mr. MONTGOMERY. I certainly appreciate, Mr. Vogel, your comments that you feel administrative funding and keeping it under one agency in the Veterans' Administration is where it belongs. Is that basically what you said?

Mr. VOGEL. Yes, sir.

Mr. MONTGOMERY. I certainly agree with you. We feel if you get out and see these young men and women after they get through with the service, that is what the GI bill is, it is a readjustment program, and the way it is drawn up now, $10,800 is waiting on them, and we think the sky is the limit as far as education for these young people who have an obligation and serve their country.

I want to thank you for statements you made here today.

Mr. WYLIE. Would the gentleman yield?

Mr. MONTGOMERY. Yes.

Mr. WYLIE. The reason for my question was there has been some indication that the money ought to go to the Department of Defense at the Pentagon and have it transferred back to the VA, as I understand it.

It seemed kind of foolish upfront to me to have it appropriated to one agency and then have it transferred back to the agency that was going to administer it. That is why I wanted to elicit the comment from Mr. Vogel here today. I knew it was along the lines of your thinking, Mr. Chairman.

Mr. MONTGOMERY. Thank you.

Thank you, Mr. Chairman.

Mr. DOWDY. Thank you very much, Mr. Vogel.

Mr. DOWDY. Our next witness is from the Department of Defense. We will ask Hon. Chapman B. Cox, Assistant Secretary of Defense for Force Management and Personnel—Mr. Cox, as we have said, we are going to try to adhere to a 5-minute limit on your statement. Any prepared testimony will be submitted for the record.

We welcome you.

Mr. COX. Mr. Chairman, would you like Mr. Shaw to join me at the table?

Mr. DOWDY. Yes, Mr. Dennis Shaw, Principal Deputy Assistant Secretary of Defense for Reserve Affairs.

We will proceed with the testimony of Mr. Cox and then Mr. Shaw.

## STATEMENT OF HON. CHAPMAN B. COX, ASSISTANT SECRETARY OF DEFENSE FOR FORCE MANAGEMENT AND PERSONNEL, DEPARTMENT OF DEFENSE

Mr. COX. Thank you, Mr. Chairman.

It is a privilege for me to appear before this committee which has done so much over the years for American service men and women. The men and women of the Armed Forces are the backbone of our Nation's defense structure. They are proud and patriotic citizens and I know they are grateful to this committee for ensuring their fair treatment.

We in the Department of Defense are also grateful.

Today you have requested that I comment on the Administration's position with respect to the New GI Bill. This program, administered under your oversight, is a good example of the important role you play in providing for American military personnel in their transition back to civilian life.

For over 40 years, veterans have been eligible for Federal education assistance under a variety of programs. These assistance programs have been authorized for a number of reasons:

One, to provide service members with a compensating benefit for adversities they endure such as low pay, harsh environments, physical danger and undesirable tasks;

Two, to make service in the Armed Forces more attractive;

Three, to provide training and readjustment to civilian life for those who have served in the Armed Forces; and

Finally, to provide an education for those veterans who might not otherwise be able to afford one.

These programs have been of considerable value both to the Nation and to its service members.

The Educational Assistance Test Program, which we conducted during 1981, confirmed that educational benefits, if sufficiently generous, can attract high-quality people to the Armed Forces. A separate study, conducted by the Congressional Budget Office in March 1982, validated the results of the Education Assistance Test

Program and also pointed out that enlistments of high school graduates with above-average aptitude test scores increased with generous education benefits.

We believe the New GI Bill has the potential to be an effective recruiting incentive. For this reason, we support making this program permanent. However, to fit into the overall context of the DOD recruiting program, we believe that it should be more of a targeted benefit. For this reason, we are submitting a legislative proposal that will do three things:

One, restructure the basic benefit to provide a benefit that varies with the term of enlistment;

Two, continue targeted incentives, known as "kickers"; and

Three, transfer funding of the basic benefit from the VA to DOD.

Placing both policy and fiscal responsibility for the New GI Bill with the Department of Defense will permit a concentrated approach to using educational benefits as a recruiting incentive.

We will be able to build on the level of variable basic benefit with additional targeted incentives that recognize the special recruiting needs of the individual services. These "kickers" can be varied as necessary and tied to hard-to-fill skills, test scores or other criteria.

This concludes my prepared statement. Thank you again for the opportunity to appear. I will be pleased to respond to your questions.

Mr. Dowdy. Thank you very much.

[The prepared statement of Mr. Cox appears on p. 89.]

Mr. Dowdy. Mr. Shaw, we welcome you.

## STATEMENT OF HON. DENNIS SHAW, PRINCIPAL DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS, DEPARTMENT OF DEFENSE

Mr. Shaw. Thank you, Mr. Chairman.

I appreciate the opportunity to speak on behalf of the Reserve components with respect to the New GI Bill. It is the first time that members of the Selected Reserve have had an opportunity to participate in this type of general entitlement program, and we are grateful for that opportunity.

the New GI Bill is popular with the members of the Selected Reserve, and I would like the committee to have an opportunity to see that graphically.

Represented on these charts are the numbers of participants, in thousands, by fiscal year quarters since the New GI Bill was enacted back in the mid-part of 1985.

It is even better to look at the number of enrollments on a monthly basis.

I show you this by month because it shows the New GI Bill for reservists is not a start-stop program. There are no peaks and valleys in our enrollments. They are just up, and we expect that to continue.

We see some positive things coming from the program. Although, I must say even at this point in time we are not able to quantify the recruiting and retention value of the GI bill to the degree we would like. But, we are going to do that.

We requested the Sixth QRMC take a look at the New GI Bill with respect to its impact on recruiting and retention and its cost effectiveness.

What we have found, however, in looking at a 15-month period immediately after the enactment of the GI bill and the same seasonal 15-month period before enactment of the bill, is that the number of 6-year enlistments increased by 2 percent. That sounds small, but that is 8,300 more people who enlisted for 6 years in the 15-month period after the GI bill than in the 15-month period prior to enactment of the New GI Bill.

With respect to equality, if we look at non-prior service enlistees who have high school degrees, and compare 1984 with 1986, we find an increase of 5 percent, or 34,500 non-prior service individuals.

I think we can make some favorable conclusions and inferences from these increases.

The final point I would like to make, Mr. Chairman, is that in addition to the GI bill which we believe attracts members to the Reserve components, we need targetted incentives as well.

Our bonuses for enlistment and re-enlistment attract people to critical skill areas and those skill areas where large shortages exist. We need to continue to attract people to those areas.

The GI bill brings people in. Our targeted incentives put them in particular places where they are critically needed. So, with a balanced and broad program of recruiting and retention incentives, we will be able to meet our recruiting objective goals which, as you know, are increasing each year.

Thank you.

Mr. Dowdy. Thank you very much.

[The prepared statement of Mr. Shaw appears on p. 92.]

Mr. Dowdy. Mr. Cox, in your statement, you indicated your opinion that educational benefits are not as cost effective as enlistment bonuses. I took that to be a general theme of your prepared comments here today.

Mr. Cox. Sir, I am sorry if I misled you. That was not meant to be the general theme of my comments. The general theme is that we believe the New GI Bill does provide recruiting incentive and we support making it permanent on that basis. We do think it can be made more cost effective so that point was made in my prepared statement and that is the reason that we are proposing some changes to it.

My statement was not intended to mean that we don't think the New GI Bill is a cost-effective incentive. However, we think it can be made more cost-effective.

Mr. Dowdy. Well, based on information gathered by a group of us last week during site visits at Fort Knox and Lackland Air Force Base and other installations, we asked a large number of young men and women what attracted them into the armed services. Practically without exception those young men and women indicated that the educational incentives in the GI bill, and not the bonus program, attracted them into the service.

Also information supplied to us by the Army shows that higher quality recruits who are attracted by educational programs such as by the GI bill are less expensive to train than other recruits.

We have also been told that discipline is substantially reduced with higher quality recruits who are attracted to the service not by bonuses we were told last week by the young men and women, but rather by the educational incentives of the GI bill.

Did the CBO study to which you referred in your testimony take all of this into account when determining the relative cost effectiveness of educational assistance benefits.

Mr. Cox. Yes, sir. We think it took all those things into account. I don't think the incentive to enlist is based on just one factor. Several factors play in it. We know that educational benefits, bonuses, compensation, advertising, and recruiter resources are all part of a complex mix that has contributed to our good success in the recruiting area over the last 6 years.

The CBO did take those things into account and we do not deny that the New GI Bill is a recruiting tool. We agree with that. We don't object to that at all.

Mr. Dowdy. Mr. Smith.

Mr. Smith of New Jersey. Thank you.

You mentioned, Mr. Shaw, that it is difficult to quantify the effect of recruitment and retention. Some of the facts you presented to this subcommittee a few moments ago were encouraging. You referred to a study.

Can you tell us what that study is you were referring to?

Mr. Shaw. The Sixth QRMC? This is the Quarterly Review of Military Compensation we do every 4 years. The Sixth QRMC is dedicated exclusively to looking at Reserve component compensation, and the area of compensation includes recruiting, retention, incentives, and those kinds of things.

The Sixth QRMC is looking at all aspects of Reserve component compensation, and we wanted to include the New GI Bill in that review. We asked the review staff to take a look at the New GI Bill quantitatively and qualitatively. When they issue their report later this year, we plan to have some quantification of the data that is better than what I can give you today.

Mr. Smith of New Jersey. Thank you.

Mr. Cox, one of the conclusions in the legislative proposal that you indicated will be sent up to the Hill will be legislation transferring the funding from the VA to DOD, which I think will meet with some controversy here in the Veterans' Affairs Committee, but perhaps you can for the enlightenment of all of us, explain the rationale behind that.

Mr. Cox. I will explain my understanding of the current situation and then the rationale for the Administration's proposal. As I understand it, the funding now is split. Some of the funding is provided by the Department of Defense and some of it by the VA. Basically, the split comes between the basic benefit and the targeted incentives.

The basic benefit is funded by the VA and the targeted incentives, or kickers as we call them, are funded by DOD. Also funded by DOD are the Reserve benefits because we had a difficult time determining execatly how much of the Reserve benefit was recruiting and incentive-oriented as opposed to being societal in nature.

Thus, DOD accepted the funding of all of the Reserve benefits. That is the current method. Our legislative proposal is to move the funding of the basic benefit from in the VA to DOD. The rationale is that if we are going to justify the New GI Bill on a recruiting incentive basis, then DOD should be the one to fund and manage it. It is the Administration's position that the GI bill should be justified on that basis, and it should not be justified on the basis of societal benefit or of investment in the future.

Mr. SMITH OF NEW JERSEY. One final question, Mr. Chairman. Do you favor transferability and refundability within the GI bill? Transferability of the benefit to a spouse or to a child or dependent and refundability if the benefit is not utilized?

Mr. COX. I favor refundability, but not transferability, sir.

Mr. SMITH. Is that the view of the administration?

Mr. COX. I can't speak for the administration on that. I would have to check.

Mr. SMITH OF NEW JERSEY. I would appreciate for the record, Mr. Chairman, if that could be provided.

[The DOD subsequently submitted the following information:]

There is little doubt that transferability, the right to transfer educational benefits earned under the New GI Bill from the member to the member's spouse or dependents, would be a popular additional feature to the program. However, overall Service member retention remains very good in both the enlisted and officer components at this time. Although there are retention problems in selected skills or specialties, it is unlikely that transferability could serve as an effective substitute for the tools we now use to retain qualified people.

A key career decision point is the first reenlistment for enlisted members, and the end of the minimum period of required service for certain officer communities, such as aviators. At this point, the education of dependent children, which may be the most highly valued use of transferability, is generally at least 10 to 15 years away. Hence, the value of transferability as a major retention incentive might well be heavily discounted at this key career decision point. Targeted incentives, such as Selective Reenlistment Bonuses for Enlisted Skills, Aviation Career Incentive Pay and Aviation Officer Continuation Pay for Pilots, are our most effective retention tool. Transferability should be viewed only as an additional and lesser aid to retention.

Transferability could have a greater effect on the retention of those members who have children at, or near, college age. This population normally has at least 15 years of service; with high retention rates due, largely, to our most important long-term retention incentive, the military retirement system.

As we monitor the New GI Bill, we will evaluate carefully its role in the total benefits package and continue to assess the need for a transferability provision. Our current assessment is that it is premature to draw unequivocal conclusions regarding the need for transferability. As the New GI Bill program matures and we have more data on participation and utilization, we will again reevaluate the issue of transferability.

The New GI Bill, unlike the VEAP program, does not contain a provision for a refund of the Service member's contribution. Because Service members believe this to be a matter of equity, particularly in those cases where eligibility is not obtained through no fault of the individual, lack of a refund provision tends to give the program a negative image. At the very least, a refund for the individual separated for a non-service medical disability should be considered. We will continue to look at a refund provision and how it might be proposed.

Mr. DOWDY. Thank you, Mr. Smith.

Chairman Montgomery.

Mr. MONTGOMERY. Thank you, Mr. Chairman.

Mr. Cox, when we met with Secretary Taft, you and he were there talking about permanent legislation on the GI bill. I thought it was generally agreed then with you and Secretary Taft that we would fund the program just like it is and implement it just like it is being presented today by the bill we have introduced. What happened?

Mr. Cox. Sir, I think you understand that I cannot speak for the administration, and we agreed with you we would not object to that and the Defense Department does not object to that. It is the administration's position that we cannot justify this program on the basis of a societal benefit and the administration would like to have it funded by us.

Mr. MONTGOMERY. But my point is you have no objection in the Defense Department, as I understand it, when we met in your position personally now, I assume the Secretary is the same way, that you have no objection the way it is funded now whether the Veterans' Administration picks up for the readjustment and the Defense Department picks up for the National Guard and Reserve? That is your personal feeling?

Mr. Cox. Sir, you heard the testimony of Mr. Vogel. Mine is somewhat the same. There has been substantial give and take between the Secretary and the Office of Management and Budget on this issue, and the Department would not object to having it in the Veterans' Administration. However, the administration's position is that it should all be funded by us as a recruiting incentive and there should be no societal benefit portion.

Mr. MONTGOMERY. I understand and I think that certainly clears up the record.

Thank you.

Mr. DOWDY. Mr. Solomon.

Mr. SOLOMON. Thank you, Mr. Chairman.

First of all, let me commend DOD for, first of all, your successful promotion of the GI bill as a recruitment tool and as a retention tool. It is obvious from the oversight hearings that we held for 2 days that the programs are successful although they could use some improvement, as most everything can.

I might as well put a plug in for the Marine Corps while I am at it.

The Marine Corps happens to have the best program of the four branches of service in explaining this program to the new recruits, and maybe you might want to look into distributing the program that the Marine Corps uses to the other branches of service because I think all of us were very impressed with that.

Mr. Cox. As you know, I am a Marine myself. I think we could all take a lesson from the Army. They got 75 percent participation.

Mr. SOLOMON. That is right.

Secondly, let me just say we don't want to play down the bonus incentives that are out there. But it was obvious from talking to the recruits in all branches of service that the GI bill was a strong reason of why they enlisted.

Again we have to go back to the recruitment, the retention and the readjustment program that the GI bill is and you need those bonuses as well, because you take those away and it makes the GI bill that much less attractive, and we all know in today's Army or Marine Corps, Army, Air Force, there is no way those people can keep up with their peers in the private sector.

Those bonuses are just that extra incentive that helps make up that difference.

I do want to take exception with DOD and the administration's directions to fund the GI bill through the Defense Department. I don't think it belongs there.

You know, you do have your tuition assistance programs in the military today, which are primarily designed for ongoing education simultaneously with the tour of duty, and the GI bill is primarily for education in addition to once they get out of the service, although it can be used at the same time, and I think we have to keep in mind the Defense Department budget is always going to be squeezed from time to time. In the Veterans' budget, although it is subject to squeezes as well, I think there this committee can better look out for the veteran and for these benefits and I think that we want to keep it there.

I have to tell you to go back to Mr. Weinberger and to the administration and to OMB and anybody else, and say that it is the overwhelming feeling of this Congress we want to keep this program in the VA and we would appreciate their support.

So take back that message.

I don't have any questions at this time.

Thank you.

Mr. Cox. Thank you, sir.

Mr. Dowdy. Thank you, Mr. Solomon.

Mr. Jontz.

Mr. Jontz. Thank you, Mr. Chairman.

Mr. Cox, when we heard the recruits on our trip last week, it was clear that many of them saw the GI bill as a good deal; getting $8 or $9 back for every $1 they invest. There also seemed to be some recognition on the part of these young men and women that $300 a month doesn't go as far toward meeting the expenses of college as it used to.

When they think about the circumstances they are going to be in when they leave the service and obligations they might have, they do give that amount of benefits some consideration when they decide whether it is really worth the investment they have to make.

So let me ask you this: When you speak of restructuring the basic benefits to provide benefits that vary in terms of enlistment, are you talking about cutting benefits or increasing benefits? Could you be more specific on your proposal?

Mr. Cox. Without getting into the details of the proposal, the basic concept is to stretch out the amendment of the benefit over terms of enlistment so that if you enlisted for longer than just 2 years, you would get a larger basic benefit than if you come in for just 2 years.

I think the way it has graduated under the proposal, the total $10,800 benefit would be there for the 6-year enlistment, somewhat less for 4 years and somewhat less for 2 years.

But then again, we are talking about a concept that justifies this program on the basis of recruiting incentives and, therefore, we are increasing the amount of the benefit for increased service.

Mr. Jontz. Mr. Cox, but don't you think that if you cut the level of benefits for the short-term recruit to a fraction of what it is for the recruit in for a longer period of time, you might get to the point where the deal would not be attractive and it wouldn't be a recruiting incentive because——

Mr. Cox. No. Our information and our analysis shows we would get more recruits who stayed in longer and that should be good for them and good for the country.

Mr. DOWDY. Mr. Wylie.

Mr. WYLIE. Thank you.

It seems my question of Mr. Vogel a little earlier was a good one. What concerns some of us is the fact that this committee exercises jurisdiction over the Veterans' Administration, and we don't, I don't think, have as much on the platter as maybe the Armed Services Committee has vis-a-vis the Department of Defense.

But do you have any indication as to how Secretary Weinberger might feel about proposals to transfer this from the VA to DOD?

Mr. Cox. This is the Administration's position and the Secretary supports it.

Mr. WYLIE. Okay. I think the proposal came from OMB originally, if my memory serves me correctly. So the Secretary, I suppose, would be in a position of supporting it, all along.

Mr. Cox. Absolutely. I didn't mean by my answer to Chairman Montgomery that that was not the Secretary's position. I said we would not object. I said we would not support it going to the VA.

Mr. WYLIE. Okay.

Now, the Reservists are already funded out of DOD, as you pointed out, so there is a little difference there.

Mr. Cox. Plus, DOD also funds all the kicker benefits. All the recruiting incentive benefits are currently funded by DOD.

Mr. WYLIE. Is there any reason why the two should be different?

Mr. SHAW. In order for a member of the Reserve components to use the GI bill, he has to be actively participating in the Selective Reserve. The moment the member separates from the Selected Reserve, he becomes a non-participant. He loses all eligibility for participation under the GI bill, is unlike the members of the active duty force.

Mr. WYLIE. So they are different in that respect, but the point I am making is does there need to be a difference in administration of the two benefits, benefits for the Reservist and the active duty personnel?

Mr. Cox. Well, sir, we assume there will be some funding by DOD even if you just make the current program permanent, and there is some wisdom involved in setting it up that way in the first place.

The recruiting incentive part of the program would be funded by us.

Mr. WYLIE. The incentive part of the program would remain the same. You are assuming that would be the case?

Mr. Cox. Yes.

Mr. WYLIE. Thank you.

Mr. DOWDY. Mr. Bateman.

Mr. BATEMAN. Thank you, Mr. Chairman.

Mr. Chairman, as I am the ranking member of the Subcommittee on Military Personnel and Compensation of the Armed Services Committee, we will necessarily have to plow this further on in another field on another day. I am going to withhold any questions today, but express appreciation for being asked to be here today and my thanks to the witnesses.

Mr. Dowdy. I want to yield to the chairman of the full committee, Mr. Montgomery.

Mr. Montgomery. Thank you, Mr. Chairman.

Mr. Secretary, there have been some rumors floating around that DOD might propose legislation about actually changing the formula on benefits that we now use.

Do you have before you what the benefits for 3 years of service might be? Do you have that for the record right now for the 3 years the individual puts up $1,200 and the basic benefit is currently $9,600, which comes out $10,800 over a 3-year enlistment—do you have what you proposed?

Mr. Cox. I am sorry. I am fumbling for it. I do have a summary of it here.

Mr. Montgomery. I have got it.

Mr. Cox. I have a summary for the record. A 2-year enlistment——

Mr. Montgomery. Give me 3 years.

Mr. Cox. In all of these, the member would continue to put up the $1,200, which is the same as the current situation. The matching portion for a 2-year enlistment under our proposal would be $1,200; for 3 years, $3,600; for 4 years, $6,000; for 5 years, $7,800; and and for 6 years, $9,600.

Mr. Montgomery. Under 3 years, that would be a reduction almost in half.

Mr. Cox. About half for the 3 years; yes, sir.

Mr. Montgomery. But the individual contribution would still stay at——

Mr. Cox. Would stay the same, yes.

Mr. Montgomery. You know yourself that you can't make it like that. That is too low. Wouldn't you agree to that?

Mr. Cox. I don't think I can agree to that, sir. You have pushed me as far as you can, sir.

Mr. Montgomery. I forgot you are a Marine.

We have the military departments following you. We will put them on the line on that.

Mr. Dowdy. Any other questions of of these witnesses?

Mrs. Patterson.

Ms. Patterson. Thank you, Mr. Chairman.

Just sort of following up on that, I am trying to catch on, this is all new to me, but as a parent getting ready to look at colleges, are you saying that now if someone serves 3 years, they would get $10,000 to go on to school, but under the proposal from your office it would be 6 years and still get $10,000?

Mr. Cox. Right.

Ms. Patterson. I don't see that is much of an incentive with the cost of colleges now. I am having difficulty finding a college one could go to for less than $10,000. It would seem to me 3 years for that amount of money is about the incentive we can go for. I am just wondering if my math was exactly right.

Mr. Cox. I think your math is right.

Mr. Dowdy. I thank both of your for your testimony. We are going to leave the record open. Written questions are to be submitted, and we would appreciate your response to those.

Mr. Dowdy. Our next panel of witnesses is a panel of military personnel chiefs. We would welcome these witnesses: Gen. Robert M. Elton, Deputy Chief of Staff for Personnel, U.S. Army; Vice Adm. Dudley L. Carlson, Deputy Chief of Naval Operations, U.S. Navy; Lt. Gen. Thomas J. Hickey, Deputy Chief of Staff for Personnel, U.S. Air Force; Lt. Gen. Ernest C. Cheatham, Jr., Deputy Chief of Staff for Manpower, U.S. Marine Corps; Rear Adm. Henry H. Bell, Chief of Personnel, U.S. Coast Guard; Brig. Gen. Richard Dean, Acting Deputy Director of Army National Guard; and Brig. Gen. John McMerty, Deputy Director of Air National Guard.

We welcome each of you.

## STATEMENTS OF LT. GEN. ROBERT M. ELTON, DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. ARMY; VICE ADM. DUDLEY L. CARLSON, DEPUTY CHIEF OF NAVAL OPERATIONS, U.S. NAVY; LT. GEN. THOMAS J. HICKEY, DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. AIR FORCE; LT. GEN. ERNEST C. CHEATHAM, JR., DEPUTY CHIEF OF STAFF FOR MANPOWER, U.S. MARINE CORPS; REAR ADM. HENRY H. BELL, CHIEF OF PERSONNEL, U.S. COAST GUARD; BRIG. GEN. RICHARD DEAN, DEPUTY DIRECTOR OF ARMY NATIONAL GUARD; AND BRIG. GEN. JOHN McMERTY, DEPUTY DIRECTOR OF AIR NATIONAL GUARD

Mr. Montgomery. May I ask unanimous consent the figures I have here be put in the record. Secretary Cox confirms that to these amounts are close to those that will be recommended.

I would like to point out, maybe our military panel will comment on it, that actually they are not recommending a reduction in the National Guard and Reserve benefits. It would be much better for a reservist to go one weekend a month and you would get about the same educational benefits as he would under this proposed cutback for the activities by OMB. So that is not workable at all.

Mr. Dowdy. Without objection, those figures are made a part of the record of the proceeding.

Mr. Dowdy. I want to welcome each of you here today. For the benefit of the other Members, I want to explain I did not request written statements from this panel because we want to know their personal views regarding the New GI Bill, we felt we could do this most effectively with a dialog with this distinguished panel. So in the order in which I introduced you, beginning with General Elton, if you would, in complying with that statement, tell us your opinion of the proposals relative to the New GI Bill.

General Elton. Thank you, Mr. Chairman. I want to be sure I understand that question.

You want us to address specifically the GI bill that is currently in effect?

Mr. Dowdy. Let me do it this way. We asked you not to prepare written statements. If any of you want to voluntarily say anything at this time, we will give you the opportunity at this time and then we will give the opportunity to the members of the panel to address questions to you.

General **Elton**. I am ready.

Admiral **Carlson**. I am ready for any questions you may have.

My personal opinion always coincides with the uniform I wear. I find it a great risk as a military officer to walk down the plank by offering my personal opinion on the GI bill as opposed to one totally endorsed and supported by the Navy.

General **Hickey**. Sir, I have no prepared remarks. It is my privilege to be here and appear on behalf of the Air Force in support of H.R. 1085.

General **Cheatham**. I have no prepared remarks, sir.

Admiral **Bell**. I have none either, sir.

Mr. **Dowdy**. All right.

Let me ask you this. In your opinion and from your background and experience, does an educational assistance incentive attract a different kind of recruit from that who may be attracted by bonuses? Would any of you care to give us your opinion on that?

### STATEMENT OF LT. GEN. ROBERT W. ELTON

General **Elton**. I will volunteer for that. Since we have perhaps the toughest recruiting mission of the Services, we tried very hard to dig into the market and determine what are the incentives that would cause a young man or woman to come into the Army, specifically the Army. We found we draw the pool of young Americans from two major streams, one that is headed for the employment part of the sector, and the other that is headed for college, and they come for different reasons.

Some of them do blend. But those that are coming to—that are motivated by the desire for additional education—tell us hands down they come for the GI bill and any additional educational kickers that the Army might have. Those that are coming from the employment sector and desire to learn a skill or to increase their own ability in that particular regard tell us that they come for, some of them come for the GI bill and some come for the enlistment bonus. So it is a program that is split in that regard and both are absolutely necessary.

Mr. **Dowdy**. My question was: Do you find those who are attracted by the educational assistance incentives are a different type of recruit from those who are attracted by the bonus incentives? Have you observed any difference between the two classes, two types?

General **Elton**. I am not sure that that is the accurate portrayal of those individuals. If an individual scores on the aptitude test in the upper category, they are in the upper category. If they are a high school graduate, we know those two things in combination make for you the very best kind of soldier.

Now, whether they are motivated for college or employment is not necessarily as important as whether they have those first two qualifications.

Now, the great majority of the upper mental category, high school graduates are motivated by education. So when we get a much greater percentage of individuals headed for college or who want to go to college and finish their education, they fill those two prerequisites. Therefore, I would say the greatest percentage of our best soldiers are headed to college.

Mr. Dowdy. The other members of the panel, if you would address that.

### STATEMENT OF VICE ADM. DUDLEY L. CARLSON

Admiral Carlson. I would agree it is difficult to assess an individual as this is a college-bound youth and this person is interested in a bonus. These programs make up a part of the total opportunity package we present to the recruit. We find many recruits are attracted to the GI bill because it is attractive to their parents. The young person may not be interested in the GI bill at that moment. He may be more interested in the bonus. But over time, he sees the GI bill as an opportunity. It is part of our total recruiting incentive package that we offer to the youngster.

There may be many who join who aren't interested in the GI bill at all, who turn out to be most interested in it after two or 3 years in the military. Some are interested in skill training but they are not thinking about the GI bill at all. They are thinking about those skills we would impart to them in training that is an integral part of the Navy or any of the other Services.

I think it is very difficult to separate which incentive does the most good. Some join because they want to get away from home, others want a job. The GI bill is a very, very important part of it. How important? That is difficult to say. That depends on each individual.

### STATEMENT OF LT. GEN. THOMAS J. HICKEY

General Hickey. Could I also join in that? We have the same difficulty measuring the numbers. But the interest is very strong. In the Air Force the GI bill tends to attract those persons interested in education. About 60 percent of our new recruits we survey ongoing, indicate education is one of the primary factors they have joined. When we look at those who are participating in the GI bill program, we find that the vast majority of those are in the higher mental category. So we think in the general stream of things that the GI bill brings a higher mental category and to that kind of an attribute, a better kind of recruit.

On the other hand, the selective bonuses that we use for recruiting bonuses are targeted to specific kinds of hard-to-fill skills, so they are used to a somewhat different purpose.

### STATEMENT OF LT. GEN. ERNEST C. CHEATHAM, JR.

General Cheatham. I would have to agree with my contemporaries. We have found in the Marine Corps that those who are interested in the GI bill are normally in the higher mental group categories.

Mr. Dowdy. Are normally what?

General Cheatham. Normally in the higher mental group categories, mental group 1, 2.

### STATEMENT OF REAR ADM. HENRY H. BELL

Admiral Bell. I would have to concur with that from the Coast Guard's point of view.

Mr. Dowdy. What about the Reserve components?

## STATEMENT OF BRIG. GEN. RICHARD DEAN

General DEAN. At the present time 43 percent of the Reserve component usage is in the Army Guard. We have about 19,737 people who are currently enrolled in the program. We found it is an especially valuable recruiting tool, when added to the bonus program it gives us a package which allows us to bring in the individuals we need to meet the Army's requirements for a total force. We have found that aS a result of this our mental categories 1 to 3 and our high school degree graduates are up, all indicators are that it has been good for us since its inception.

## STATEMENT OF BRIG. GEN. JOHN McMERTY

General McMERTY. We in the Air National Guard believe it is a good program. It is helping us attract better quality people into our program and keep better quality people in our program. We appreciate your efforts to keep it going.

Mr. DOWDY. We do have other written questions which I will submit to you. We appreciate your response.

Mr. Smith.

Mr. CHRISTOPHER H. SMITH. Secretary Cox noted the Army has the highest participation rate. It is my understanding some 75 percent, Navy 43 percent, Air Force 41 percent, the Marine Corps at 61 percent. I wonder if you would be good enough to comment on why there is this real discrepancy between the various Services in terms of participation rates.

General HICKEY. Since the Air Force statistics are the lowest you quoted, it is appropriate I address that first.

Let me start up by saying while our recruits are very much education interested, we have had a history of non-participation in the Veterans' Education Assistance Program, for instance, we only had a 6 percent participation rate by recruits when it was in operation. the New GI Bill shows its strength and effectiveness in that we have a 7-fold increase in that. You are accurate in that we have the lowest participation rate, and perhaps some of that is our own fault in that we are doing so much better than we did under the other bill, and we are so pleased that we are meeting our qualitative levels, we haven't concentrated on increasing participation to the extent we should.

I would tell you that we have an ongoing program within our recruiting force to increase the emphasis on the utilization of the GI bill, and we are going to streamline and improve the information process and the kinds of information and media that we are using at their initial recruitment point at Lackland Air Force Base when they come on active duty.

We have a multi-phase system as you know starting with the initial recruiter and then at their processing station, and then two different sessions on their second day when they come on active duty to give them all the information we can. We think we can do a better job in advertising and pointing out its merits.

Thank you.

Admiral CARLSON. We in the Navy have seen a remarkable increase in GI bill participation. We are at 58 percent for the past 2 months. Overall we were at 44 percent. We have seen our numbers improve and we think it is because we are getting the word out and advertising it better. Now for those of you who were in Orlando, I am aware that the presentation down there didn't make all of you raise your hands to join the Navy or sign up for the GI bill, but that was the presenter, I think. He felt like it was the Christians and the lions and that he was a Christian. The poor guy was a little awed by ~~the aud~~ience he was pitching to.

We have seen a good increase in participation because we think we advertise it right. But you should also remember that $100 a month from a recruit whose base pay is only $600 is a lot of money. After you subtract income tax, it puts income down around $480. Then you take another hundred out of that, you are at $380. If the individual has some responsibilities, financial responsibilities, that is a significant amount of his pay. On that basis, it may not be attractive to some.

Mr. Montgomery. May I make a comment on that.

Mr. Christopher H. Smith. Sure.

Mr. Montgomery. We had a gentleman on our trip with us; he was called in before World War II and received $24 a month and gave half that to his mother. He got by pretty well. These kids don't have many expenses. I know the Marines don't even know where the gate is to get out of Paris Island for 3 months.

Admiral Carlson. Our guys are a little brighter than that.

Mr. Montgomery. So, you know, maybe it is good. The luxuries, the cars, the stereos, that really plays a big part. After they are in for 3 or 4 months, they get promoted and get a significant pay increase. Also, we have clarified the income tax situation. A recruit pays taxes only on the reduced amount of his basic pay, so he'll save some money there.

I don't know, I sometimes worry about the $1,200. We didn't put it in there, the Senate put it in there. We wanted a clean GI bill when we brought it up. But the Senate forced us to make changes. I am afraid that some of these young kids, and I am seeing them 6 months after they had to make a decision on the GI bill, they cannot get back in, they feel like they made a mistake and the $100 a month was the reason they didn't get in.

Admiral Carlson. I am not apologizing or being critical of it. I think that may be a fact. It influences some for the wrong reasons.

General Hickey. If I may add, I think particularly if the recruit happens to be married or a couple years older than the 17- to 19-year-old that is normally thought of as a new recruit, it has an even bigger impact as they have a family responsibility from the very beginning.

General Elton. One thing I wanted to add, not in comparison at all with the other Services, each of us has our own problems with regard to recruiting, but the Army has the largest of the challenges and we are constantly looking and digging into the market to try to develop new ways to approach quality young men and women. And the surveys that we have taken over and over again tell us hands down that young America, young bright America, wants to go to school.

And so the Army's position is that education is a lifelong process, and we want it to continue while they are in the Army. We want them to believe that that in fact is true. So we offer a number of educational incentives in the Army. We even have started a program which will help those who have the GI bill in their pocket to transition directly into college by using our counselors to get them into the college. And the point is that we have tried to make that known, the image of the Army, to young America through our advertising on television and elsewhere in the media, to give them an incentive for joining the Army. Right now the figures we have as of the end of December right now, about 84 percent of those who come into the Army sign on for the GI bill, but that is because we sit down and talk to them about, one on one, it is an investment in your future, and we encourage you strongly to get on board.

So that is why——

Mr. CHRISTOPHER H. SMITH. That leads to a question. Is there a certain amount of interagency or inter-Service cooperation in terms of tools to try to sell the program? Since the Army has done so well, perhaps the others can benefit from that experience.

General HICKEY. Yes, sir. I think all of us cooperate. One of the things we are looking at is a videoscript that will do a better job. What we are looking at is a very professional and slick article the Army already uses.

Admiral CARLSON. We all have the same GI bill. It is one thing to convince a kid to join to go to school, it is another thing to convince him he wants to go to sea. A lot of them don't know what going to sea means. Samuel Johnson said, "going to sea is like being in jail with an opportunity to drown." That is the backdrop against which we are doing our recruiting. Sending these young people off to sea for months at a time with family separation; I don't care how good the GI bill is, if the individual doesn't want to do that, we will have a most difficult problem.

General HICKEY. One last point. We could probably also without working harder increase our participation rate to some degree if we used kickers, but we have historically not done so because we were meeting our recruitment goals.

I think the appropriate method of solving that is the one I described earlier within the Air Force at least.

General CHEATHAM. I would like to second the General's position. Also, I would like to state that the Marine Corps is not at 61 percent, it is at 62.6 percent overall, and this last month it was up to about 73 percent. I recall 73.2 percent as this last month's participation rate.

It is unique. I think you will find that within the Marine Corps we have a great number of 6-year enlistments.

In fact, our average enlistment is in excess of 4 years. I don't think that the majority of people that come into the Marine Corps come in for the education, for the GI bill. I think if you talked to Marines you will find that out.

But it is obvious that there is a high percentage of them taking advantage of it because it is a wonderful program for young men.

Mr. SMITH OF NEW JERSEY. I would appreciate it if members of the panel would discuss what kind of effort is being made to inform recruits prior to actually checking in, so to speak, as to the decision they will make in the first couple of weeks of their time in the service.

My understanding is, and I have heard back from some, and have gotten letters and I think the committee has also gotten some letters that the decision time comes upon them too quickly.

I was wondering if perhaps a longer period of time was being contemplated, perhaps bringing the parents more into the equation earlier on. Is that the kind of thing being looked at?

General **Hickey**. I would be glad to walk through the process because we have a multi-faceted process in the Air Force again. The first time that a potential recruit goes in to see a recruiter, he is briefed on and given a brochure on the GI bill and what its benefits are.

At the time of his enlistment and going through the processing station, he is again given a mandatory batch of information, listening and reading combined on that same thing, and at the same time we have him at the enlistment processing station.

We also send a brochure to his parents. They may be more interested in future education than the individual recruit is. So each of those three are done before they enter active duty. We do give them time to mull the whole process over.

On the second day that they are a new recruit, we again go through the whole same brochure and the same information is presented to them at our basic military training school. Then we have a deliberate cooling off period for them to take that material home, call their parents, their minister, educators, to make up their mind and then on the seventh day of their training we call them back in and at that point they have the option to opt out if they want to do so.

General **Elton**. I have given you all literature we hand to the recruits. In addition to the things Tom has mentioned, the only other thing we do is to take a little television set into the individual's home with his parents and we have a tape that lasts about 5 to 10 minutes, and it walks through exactly what the GI bill provides, and what you must do and how much you must take out of your pocket and put into it and what you get if you go to college and what you get if you don't go to college.

The fact is you give it all up if you don't go to college. They understand that completely when they sign the contract. When they get into the reception station, we talk to them one on one with an educational counsellor who talks to them about the goodness of investing in your future.

Admiral **Carlson**. We have a similar program that exposes them all the way along from first contact until when they are well into boot camp, or recruit training.

Mr. **Smith of New Jersey**. Would any of you like to comment on refundability or transferability and whether that would be useful?

General **Cheatham**. I think they are both good and should be employed. If I could go back to your previous question just for one moment. I think this brochure mailed to the parent is a key to the participation of the young marine at boot camp. When the parent sees this, they discuss the decision with their son or daughter.

Admiral **Carlson**. I think transferability is important, because the GI bill, as it is now, is a recruiting incentive. It is not a retention incentive. It is a disincentive. If you have transferability it is very attractive to the individual who, during the course of his enlistment or as he comes in, has dependents to whom he can transfer his GI bill. It could be a tremendous retention incentive.

So there is great potential in my view.

General ELTON. I would like to jump onto that because for the first time in many months the Army is finding because of a number of other personnel changes, policies and so forth, that we are having a little difficulty with our re-enlistment objectives. And many of the re-enlistment NCOs have come to us and said if we were able to transfer the GI bill, the soldier would re-enlist, not so that he could keep it, but so that he could let his wife go on to school. That is from their mouths.

General HICKEY. I would say the Air Force certainly supports the refund portion of it towards survivors of someone who perhaps got killed on active duty or some suitable period, perhaps 5 years after separation from the service.

If they have not taken advantage of those things, a refund appears to us to be fair and equitable.

Mr. SMITH OF NEW JERSEY. Thank you, gentlemen. Your comments have been most helpful. I would say one final thing.

There is no way I could not be a strong supporter of the New GI Bill. My brother, Lt. Col. Mike Smith, has exercised his prerogatives as a big brother and as a constituent, and I wouldn't get his vote if I didn't support it.

I thank you for your answers and yield back the balance of my time.

Mr. DOWDY. Chairman Montgomery.

Mr. MONTGOMERY. Thank you, Mr. Chairman.

Without objection, I notice General Elton has mentioned about some of the literature, if that could be—if these two pamphlets could be put in the record and if any of the service personnel chiefs have anything for the record that would be put into the record pertaining to the GI bill.

Mr. DOWDY. Without objection.

[The pamphlets appears on pp. 99-165.]

Mr. MONTGOMERY. Mr. Chairman, about the transferability, we had that in the original bill, which means, in effect, you earned these benefits and you can transfer them to your wife or one of your children or two or three of your children. It was taken out of the bill. It added to the cost.

We were surprised at the number of recruits who brought up transferability. If we can make this permanent legislation that would be one of the areas we would look into.

Actually the idea started with the aviators and the Air Force pilots, that they said if you give us some transferability, we might stay in the service. We could have saved millions of dollars if we could have kept these people in the service because they said they want to be sure to educate their children.

General Hickey, or Admiral Carlson, I might disagree with you a little on your statement that this pushes—the GI bill pushes them out of the service. We certainly don't want to do that.

When we talk to these recruits we encourage them to stay in and they can use their GI benefits in the service. But some of them have got to get out.

What is the number under 21, 22 years of age, in the Marine Corps—how many are under 22 years of age, General?

General CHEATHAM. Twenty-four is the average age of the enlisted in the Marine Corps.

Mr. MONTGOMERY. What percentage of that——

General CHEATHAM. A hundred percent. That is counting people like me. So the average age in the Marine Corps——

Mr. MONTGOMERY. That is fine. I will buy that. I mean people older than you, how many percent? Fifty? Twenty percent?

What I am trying to get at, 85 percent of the Marine Corps is under 22 years of age; is that correct?

General CHEATHAM. Yes, sir, to be precise 84.1 percent of our first-term enlisted Marines are 22 or younger.

Mr. DOWDY. What about the Army?

General ELTON. I am not sure what the exact figures are. I am sure they are similar to that.

Mr. MONTGOMERY. My point is you have to keep a young military to take the high ground and to do the things, so some of them are going to have to get out is my point, Admiral Carlson. It is good if you have these benefits waiting on them.

My other question, and then I will yield back the balance of my time, I notice the Army Times quoted the high test scores on recruits in 1987 for the first 3 months of the fiscal year. Can you explain what caused that or what you think caused that?

I guess this is the first time in the history of the Army they have had higher test scores than the other services.

General ELTON. Mr. Montgomery, I am not sure exactly why we stand any higher than any of the other services. It may be the way we have assessed the population we have in the delayed entry program and brought them in.

Those are the figures for those who have actually entered the service. At the end of the month of December, the first quarter, we stood about 75 percent in the 1 to 3(A) category. And we are absolutely delighted with that.

However, we are also realists and understand that is going to drop down as we go out and continue to recruit for the difficult to fill skills and are not quite as successful in doing that.

Still, all in all, the major incentive for bringing in high quality young men and women is the GI bill and the additional educational kickers. So that is what those people are after.

Mr. MONTGOMERY. Thank you.

General CHEATHAM. It also might have been because that was written in the Army Times.

Mr. DOWDY. Mr. Solomon.

Mr. SOLOMON. If General Cheatham and PX Kelly were to leave the Marine Corps, it would drop the average age down to about 19. Just an observation. Not personal, General.

Let me also put in a word for the Air Force here. We noticed a little discrepancy as we were going around. One of the things that we learned from the various recruit groups was the fact that in the Air Force they seemed to think they had a better opportunity for on-the-job training than they did in the other branches of the service. That might have something to do with the fact you don't have as many signing up historically as we have in the other branches.

That is no reflection on the other branches, but that seems to be the feeling out there. In other words, in the Air Forces there is a better opportunity to learn a trade and to have a career.

I was again really taken by the kind of recruits we saw in all four branches. I think it was at the Naval Air Station in Orlando where in one group that was going through, we had an opportunity to speak with—personally, there were three from New York City in the group, two from the suburbs, outside the immediate suburbs of New York City and two from Upstate New York. That was really a cross section of America that was going through in that one platoon of men.

That is something that I hadn't seen in the last 8 or 9 years, and I am sure that the GI bill has a great deal to do with that along with upgrading of salary and benefits, in general.

I think we all have to take off our hats to all of you gentlemen. You must be doing something right out there. It is heartening to see that in these days of an All-Volunteer military.

Admiral CARLSON. It is also helpful to come before committees that want to do more for sailors. That is properly reported in all our papers and it has a positive effect. You are a major contributor to our sailors' welfare.

Mr. SOLOMON. It is nice of you to say that.

Also, General Cheatham, going along with what you said about members of the Marine Corps enlisting for whatever reasons, in one of those platoons we also had them raise their hands as to how many enlisted specifically because of the GI bill and only two out of about 30 raised their hands.

I think that has a lot to do with it. I guess the concern that I saw out there was over the young recruit coming in and having the $100 a month for 12 months be a real factor. They, of course, are just out of high school and a $100 a month to them is a lot of money.

There were a lot of them out there married, which surprised me. There were a lot of them out there married who had children and that surprised me and certainly a $100 a month in that category could make quite a difference.

That, along with the period of having to make a decision within 6 to 8 days of setting foot on that base seemed to be a real drawback. I guess the one thing we would like to see you do over the next year would be to really look at that and question those recruits and give us some oversight as to what we might do in order to solve those two problems.

Other than that, Mr. Chairman, I may have some other questions I would like to submit in writing, but, again, our hats are off to you for doing a great job. We appreciate it.

Mr. DOWDY. Mr. Jontz.

Mr. JONTZ. Thank you, Mr. Chairman.

If I might make an observation to the panel. Before asking a question, as Mr. Solomon and others have said, the recruits were very consistent in saying the brief duration of time in which they had to make a decision was a factor, and I have no doubts that a real effort has been made by the recruiters to get this program across. However, we asked the recruits by a show of hands how many had not heard of the GI bill before or didn't know about the benefits. A large number of hands went up in every case, as I recall.

I have no doubts many efforts have been made. But for whatever reasons, there are a large number of groups coming in that didn't know about the benefits, and they expressed that to us.

Admiral Carlson, you commented about the $100, and Congressman Solomon did, too. One proposal that a number of these young men and women made to us was the possibility of making their contribution in the sum of $50 a month over a period twice as long instead of the sum of $100. I would like to ask you, Admiral Carlson, whether you think that makes some sense.

Admiral CARLSON. I think it makes a lot of sense. I think you would find more people would sign up. It is a lesser bite of their take-home pay early on.

Some join the military because they don't have a job, so they are keenly sensitive to pay. They view that we are going to take this money from them at a time when they need all the money they can get right now. They regret having later made the decision.

Fifty dollars is an easier program to sign up for than twice that amount of money.

General ELTON. We agree with that 100 percent.

General HICKEY. And the Air Force agrees 100 percent.

General CHEATHAM. If there is one thing that could be changed that would be it.

Admiral BELL. I also support that. The young men have been told everything. They are more concerned about where am I going to sleep, what I am going to do, is the drill instructor going to harass me. When you walk into boot camp and are then asked, what do you want to do about your college future, the young person is looking at the most important thing facing him, which is someone yelling at him.

I know we would get greater participation if we would extend the length of the payment time. I would submit also that a longer period for them to sign up or to make the decision would be helpful, so that they would have a little more rational frame of mind than in those first couple of days of boot camp, would also increase participation.

Thank you.

Mr. DOWDY. Mr. Wylie.

Mr. WYLIE. Thank you, Mr. Chairman.

I think maybe General Cheatham, from my own observation, if we put it in perspective as Mr. Solomon did a little earlier, there are other incentives perhaps here besides the incentive of the GI bill.

I think a lot of young people are enamored or were enamored with the Air Force and joined without the other incentives so you didn't have as difficult a time as getting recruits a the Army did.

Being an Army man, I can probably relate to that and the same may be said of the Marines. They didn't at one time have as much difficulty recruiting young people. But as to the idea of retention—and may I say that I have seen the full gamut of the GI bill—when I came out of the service, the GI bill had just been enacted.

I enlisted earlier for a different reason. The patriotic aspect and the GI bill was just like a gift. But that was supposed to be an incentive for me to re-adjust myself to civilian life, which is a far different concept than you are talking about here today.

Now, I note that DOD is coming up with proposals to stretch out the time frame within which the benefits under the GI bill would be available. Each of you heard about that?

Right now a veteran can get the maximum benefit if he serves in the Armed Forces for 3 years, I believe. What would you think about that stretch out, General Elton?

General ELTON. We found out about that this week. I am told it is going to be staffed with the services so we can provide a formal comment. Just let me say, though, I sent a daughter to college and for $2,400 you can just about get in the front door for a year or a couple of semesters, and that is what you get for the 2-year program.

And a great number of individuals would not enter the service, and not enter the service in the Army, and I think not enter in increasing numbers in the Navy for the 2-year program. For 3 years they get $10,800 as a basic benefit, and this would be reduced $4,800, and that is a considerable reduction.

I have no data I can provide to corroborate the fact we have driven—the heavy dollars available have driven people to shorter enlistment terms. In fact, what we have is some data that shows by de-linking the Army college fund and the bonus, we have driven people to shorter terms. We are going through a number of terms of services evaluation in which we are finding there are many incentives which, in fact, will help to move them to longer terms, but that the GI bill basically is, as our Chief of Staff, General Wickham, has stated in his testimony in front of the Senate, the very most critical recruiting incentive that the Army has, and we don't want to see it changed at all.

Mr. WYLIE. You want to leave it the same way it is?

Mr. MONTGOMERY. Would the gentleman yield in that?

The National Guard can comment on this. Am I correct in saying that 6-year enlistments have increased significantly because of the New GI Bill requirement of a 6-year enlistment? Also, your re-enlistments for maybe 2 or 3 years are increasing to 6 years.

In fact, just the 6-year re-enlistments will pay for the GI bill under the Reserve program because you are not having to retrain or train new personnel to fill those different jobs. Training costs will go way down.

General DEAN. Yes, sir, the retention rate is currently at 80.7 percent, which is the best it has been in any number of years recently. We also have a higher number of people who are staying for the 6 years, as you indicated, which at $20,000 average to train an individual to come in to one of these branches of the Army is definitely a saving.

Not question about it.

General CHEATHAM. If I may tie onto that, the Marine Corps Reserve has increased 6-year enlistments. Six-year enlistments have gone from 61 to 79 percent since the Reserve GI bill has been in effect.

Mr. WYLIE. I see my time is up. You may want to comment on this for the record as to DOD coming up with a proposal to stretch out the GI bill benefit.

Mr. **Dowdy**. General McMerty, did you want to respond?

General **McMerty**. In the Guard at large, we have got about 60 percent of the participation in the program from the Reserve components. If you look at our statistics, you will find that we have the lowest turnover as well.

Of people that I talked to in the field about three-quarters of them feel like the GI bill is the most important initial entry or enlistment incentive that we have and about half of them feel like it is the most significant re-enlistment or retention tool that we have.

While that is not scientific, it is very useful in terms of evaluating the value of this program to the National Guard.

Mr. **Dowdy**. Mrs. Patterson.

Mrs. **Patterson**. No questions.

Mr. **Dowdy**. All right. We want to thank each of you very much for your appearance here today and your help.

Mr. **Dowdy**. Next we have a panel of witnesses from the education area. The panel includes Dean J. Clay Smith, Jr., Howard University Law School; Mr. Charles Saunders, vice president for government relations, American Council on Education; Mr. Frank Mensel, vice president for federal relations, American Association of Community and Junior Colleges; and Ms. Bertie Rowland, president, National Association of Veterans Program Administrators.

Before we hear from this panel, I would like to introduce and note the presence of Gen. Eston Marchant, the Adjutant General of South Carolina. He is here representing the National Guard Association. I am told he must catch a plane at 3 this afternoon and may not be able to testify because of that. We know of his strong support for the New GI Bill.

We appreciate his support and thank him for being with us today.

Mrs. **Patterson**. If it would be appropriate, I want to thank him for being here. He is one of my good friends at home, and I appreciate him making the trip up here. I understand he is going to be roasted at home this evening. He had better go home and check that roast out.

Mr. **Dowdy**. We would be happy to allow you a few minutes.

## STATEMENT OF MAJ. GEN. T. ESTON MARCHANT, ADJUTANT GENERAL, STATE OF SOUTH CAROLINA, NATIONAL GUARD ASSOCIATION OF THE UNITED STATES

General **Marchant**. I want to say I am here assisting in representing the National Guard Association of the United States. General Stroud, our president, is also here. He asked me to be present and make a few comments.

Let me first say a genuine word of thanks for all that the Congress of the United States has done in the area of support for the Guard and Reserve, which is substantial, down through the years; and I might, if I may, just add quickly that out there in the States, and I am talking about the National Guard, where the actual recruiting and the retention work is done, the GI bill is the single most effective tool we have for recruiting, for retention, and for training, which is the bottom line.

It tremendously impacts, I would like to point out, not only on the student enlistee—and the high school student is the primary target we have in the Guard—it also impacts on the on-board members who want to continue with their education. It also impacts on the parents of our prospect, our enlistee, and on or that on-board member. The parents have a far better attitude about the National Guard and our recruiting because of the opportunities we can afford their children, as well as, of course, the financial aid we are able to provide.

And the educators, Mr. Chairman, and members of the committee, in the high schools much more readily accept the Guard into their schools (and that is a problem in some instances) because they realize we are going to be able to provide those students of theirs with a further educational opportunity from a financial standpoint beyond the high school era. I would like to point out specifically to you, and I think it is indicative, that in South Carolina our accession figures, our enlistment figures, continue to rise, to climb, and our retention rate has significantly improved over the past 1½ years due in large measure to the New GI Bill.

I am told, and I had it provided for this opportunity, that since July 1, 1985, to date, we have had 2,628 young Guardsmen and women take advantage of the New GI Bill.

In conclusion, I would like to say modernization and sophistication are the names of the games these days, in all of the military, certainly inclusive of the Guard, and we need not only to have people, but smart people, smart strength, and therein lies the main advantage and asset of the GI bill.

I appreciate again, Mr. Chairman, the opportunity for being with you. I apologize for interrupting. I thank my representative, Mrs. Patterson, for helping out.

[The prepared statement of the National Guard Association appears on p. 184.]

Mr. DOWDY. Do any members of the panel have any comments or questions?

Mr. MONTGOMERY. We saw the general at Fort Jackson, S.C. He was very helpful. He came out on an inspection trip Wednesday. Thank you very much for your courtesies when we were in South Carolina.

Mr. DOWDY. We want to welcome the next panel, and I have already introduced each of you. Dean Smith was on active duty with the Army where he served as captain in the Judge Advocate General Corps. We introduced some of you. You may feel free to talk from your written statements, or perhaps most helpful to the committee would be your informal remarks and comments about the GI bill and how it has affected the institutions that you represent. Dean Smith.

## STATEMENTS OF J. CLAY SMITH, JR., DEAN OF THE HOWARD UNIVERSITY LAW SCHOOL; CHARLES SAUNDERS, VICE PRESIDENT FOR GOVERNMENTAL RELATIONS, AMERICAN COUNCIL ON EDUCATION; FRANK MENSEL, VICE PRESIDENT FOR FEDERAL RELATIONS, AMERICAN ASSOCIATION OF COMMUNITY AND JUNIOR COLLEGES; AND BERTIE ROWLAND, PRESIDENT, NATIONAL ASSOCIATION OF VETERANS PROGRAM ADMINISTRATORS

### STATEMENT OF DR. J. CLAY SMITH, JR.

Dr. J. CLAY SMITH., JR. I returned early from the deans' meeting of the American Bar Association held in New Orleans in order to respond to the committee's invitation to express my views on the GI bill because of the importance that I attach to it.

As a law educator, I always try to find principles which undergird legislation. Reviewing some of the testimony, the following words seem to support the principles undergirding the GI bill. The Speaker of the House James Wright said the "best financial investment this country ever made was the GI bill of Rights at the end of World War II. It sent an entire generation of Americans to college, and our country has been reaping the benefits ever since." I agree with that principle.

I also agree with the principles stated by Congressman G.V. Montgomery on February 11 regarding H.R. 1085, in which he said that "the newest GI bill is the latest to help carry out our national obligation to assist servicemen in their efforts to achieve maximum potential as individuals and as citizens."

Since the enactment of the first GI bill in 1944, over 18 million veterans and service personnel have received educational assistance under the GI bills. These include 7.8 million under the World War II GI bill and almost 2.4 million under the Korean GI bill and over 8 million under the Vietnam-era post-Korean GI bill.

I join those supporting to permanently fix the GI bill in the American dream. Though I am currently the Dean of Howard University School of Law, I was first a veteran. I served as a captain in the U.S. Army, the Judge Advocate General's Corps from 1967 to 1971. This makes me a Vietnam war era veteran. I qualified for the GI benefits during the last 2 years of my 4-year active duty commitment. I was a Regular Army officer. I used the GI bill to pay for a portion of my master of laws degree, which I received from the George Washington University School of Law in 1971.

After resigning from the JAG Corps to return to private life, the availability of the GI bill made it possible for me to complete my course requirements toward the highest academic degree awarded in law, the doctor of juridical science, which I received from the George Washington National Law School in 1977. These educational experiences were ample reason for me to write an unsolicited letter to Congressman G.V. Montgomery in 1986, after reading a news account in the Washington Post about the GI bill and his efforts, many of your efforts to make that bill permanent. I inform him that I supported his and other Congressmen's efforts to fix the GI bill as a permanent piece of legislative policy.

Now, in listening to the other witnesses that have testified in other panels on the issue of refundability and transferability, it seems to me now as an educator and as dean of a law school and being associated in a university of some 12,000 individuals, I think that the proposals or the thoughts that are going into the issue of refundability, and particularly transferability, make a lot of sense. I look at the GI bill not as a regional issue but as a national issue, not as an issue involving the rich versus the poor, but as a fundamental American policy issue. It covers everyone. It doesn't discriminate against anyone.

So the issue of transferability would allow a greater reach and a greater incentive and morale for some military families and veterans who might not be able to afford to educate their families. I think that the American people across the board ought to support the legislation.

Thank you.

[The prepared statement of Dean Smith appears on p. 166.]

Mr. Dowdy. All right. In the order I introduced you, those of the other witnesses, as we have said, some of you have prepared statements, and those will be incorporated into the record.

## STATEMENT OF CHARLES SAUNDERS

Mr. Saunders. My name is Charles Saunders, and I am grateful for this opportunity to represent the American Council on Education, which is an umbrella group representing all sectors of higher education. I will be very brief.

I simply would like to reinforce what my testimony says, that this is—passage of this legislation is high priority for the higher education community as a whole. We are very grateful to you and Chairman Montgomery and your colleagues for your championship of this legislation, and I simply note in my statement that we have already circulated to Congress a publication identifying our priorities for the 100th Congress, and renewal of the New GI Bill is one of those high priorities.

I think I will just leave it at that.

[The prepared statement of Mr. Saunders appears on p. 168.]

## STATEMENT OF FRANK MENSEL

Mr. Dowdy. Mr. Mensel.

Mr. Mensel. Mr. Chairman, I am Frank Mensel, and I head the staff of the Joint Commission on Federal Relations of the American Association of Community and Junior Colleges, and the Association of Community College Trustees.

Mr. Chairman, all Americans we feel owe a great debt to Chairman Montgomery for his vision and perseverance in creating the New GI Bill, which we think is clearly demonstrating that it enhances both the American Dream and American competitiveness. We thank every member of this committee for cosponsoring H.R. 1085.

We commend in particular the Army and the National Guard Bureau for the imagination and vigor with which they are putting the program to work.

Mr. Chairman, the community colleges are enthusiastic about the opportunities that this bill, this program creates for American youth, especially for needier students. It is a tremendous bulwark of opportunity.

Community colleges have been very active in support of the New GI Bill since the original introduction of H.R. 1400 several Congresses ago, and our members have no cause to regret that support. It is clear to us that the New GI Bill is exceeding its expectations as a 3-year pilot and is now making vital contributions to the national interest on at least three fronts: First, greater national security; second, increased post-secondary education access, and, third, a more competitive American skill base.

The program's contributions to national security are underscored by the marked improvements in the general quality of personnel entering the armed services, and we think your military witnesses today have already been documenting that improvement rather graphically.

Mr. Chairman, as far as we are concerned, a vital, perhaps the most vital innovation in the New GI Bill, is the college incentives it offers for Reserve and National Guard members who take 6-year enlistments. Those of us who have supported this innovation from the beginning have often referred to it as an "up front" GI bill. By allowing the Guard and Reserve enlistees to take college courses while serving their military obligation, the program gives the defense system the direct benefit of the enhanced skills—this in contrast with the traditional GI bill, in which the skill enhancement comes after the service. The more sophisticated our weapons systems become, the more dependent our security is on the skills of the personnel using them.

This mixing of military service and college training strengthens both national security and the economy, in both the short and the long run. The college benefits that Guard and Reserve members receive during their enlistments are bound to strengthen their civilian careers. Many skills so gained will find their way sooner or later into civilian defense work, as well as benefit the military directly through extended enlistments. In many cases, they will do both.

A perhaps more subtle benefit of the New GI Bill is its potential for alleviating the competition among the military, employers and higher education for the reduced flow of high school graduates. This faces all three sectors in the next decade. In the jargon of affirmative action, great numbers of the Guard and Reserve enlistees who use their New GI Bill benefits will become "two-fers" and "three-fers." By that, we mean they will go to college as full-time students, serve as part-time soldiers and finally apply new skills in part-time work, often defense work.

It is worth noting, Mr. Chairman, a recent analysis by Carol Frances, a consulting economist who is the former chief economist of the American Council on Education, shows that the biggest single step that a working American takes up the pay ladder is the completion of the 2-year college degree. It shows that a worker with a 2-year college degree earns an average of 80 percent of what a bachelors degree holder earns.

Finally, Mr. Chairman, we should not underestimate the importance of the New GI Bill to the American dream of universal postsecondary educational opportunity. With a marked decline in the purchasing power of student financial aid as measured against full costs of college attendance, increasing numbers of high school graduates are likely to turn to the New GI Bill as their surest path to a college education.

The only improvement we might suggest, Mr. Chairman, is that the $100 a month contribution from the servicemen be reduced or eliminated.

In summary, the community colleges are enthusiastic about the opportunities for greater productivity that the New GI Bill offers both to individual Americans and to the national economy. In its quickening quest for an economic competitiveness policy that will give this country the technical education and skill base it must have to meet the global challenge, Congress already has a cornerstone in place in the New GI Bill.

We thank you again for this opportunity.

[The prepared statement of Mr. Mensel appears on p. 171.]

Mr. DOWDY. Thank you, Mr. Mensel.

Ms. Rowland.

## STATEMENT OF BERTIE ROWLAND

Ms. ROWLAND. Thank you.

I am Bertie Rowland, I represent the National Association of Veterans Program Administrators. My organization is actually the people that are on the college campus, the people that are actually administering the GI bill to the veterans as they come to our schools, helping them get enrolled and helping them how to budget their money so they can get through the term.

We are pleased and encouraged by the high participation rate in the New GI Bill as compared to the Chapter 32 Veterans Education Assistance Program. We know the improved participation rates will have a dramatic effect on the adjustment of these veterans as they return to civilian life and careers.

The availability of the financial assistance in the face of tighter constraints in financial aid will be the key to successful return to their educational goals. Many veterans and veterans' programs were frustrated by the poor participation in Chapter 32, the Veterans Education Assistance Program. It was not uncommon to have a veteran seeking assistance, only to find that they had not participated in the program.

The pool of young people is limited and the demand for bright young, educationally-oriented people is shared by the military, industry and education. the New GI Bill is attractive to young people because it integrates these three demands. They can serve their country, receive their education and prepare for private sector, all with a minimum of readjustment difficulty. The reservist GI bill allows simultaneous pursuit in these areas.

We testified before this committee on the difficulties associated with implementation of the New GI Bill, particularly the reservist chapter 106. We are pleased to report that many of the problems have been resolved, and some are being presently addressed. The fact that this program is overwhelmingly accepted by the military, the educational institutions and by individual reservists and Service members has prompted a tremendous spirit of cooperation and communication between these people.

We look forward to improvement in the determination of basic eligibility.

In conclusion, NAVPA press is enthusiastic about the benefit of the New GI Bill, not only in terms of support of veterans' education but also in terms of updating the skills of our people to participate in increasingly sophisticated military and an increasingly sophisticated society.

There are two things that I would like to mention that we, too, would agree that the $100 a month reduction in pay should be extended over a 24-month period, at least reduced $50 a month.

We feel we have people on active duty seeking our assistance and very often we find that they wish they could opt into the system now even though they are on active duty. They will contact us because they are looking forward to entering the university. So an extended period to opt in would be an advantage to those people.

Thank you very much, sir.

[The prepared statement of Ms. Rowland appears on p. 174.]

Mr. Dowdy. I thank each of you for your testimony. When last week we went to some of the military installations we had the opportunity to meet with reservists, as I remember, guardsmen, who were in school on the GI bill. As I remember it, in response to a question from Chairman Montgomery, each of them indicated that the program was working well in terms of the Veterans' Administration getting them their checks. They were satisfied with the way the program was being carried out. Let me ask, is that the general feeling? It seemed to be from the indications we received last week on our field hearings.

Ms. Rowland. Since I seem to be on the firing line on that, let me respond to that. Things have improved significantly but there are still significant problems on the processing of the notice of basic eligibility. The National Guard has centralized their processing somewhat as I understand it, so that the unit levels are no longer signing the NOBIs which is the form that authorizes eligibility. But apparently there is still a problem. We have people that, right now I have people in my files that have cut off benefits because they had not met the requirements. Perhaps their high school diploma was not on file or perhaps they actually did not sign up for 6-year enlistment. Those would be the exceptions.

I would say the majority are going well but the problems always seem to come back to processing at the unit level.

Mr. Dowdy. Mr. Mensel or Mr. Saunders? Do you want to talk about that?

Mr. Mensel. Our community college found in the early months perhaps the first year of the program, the VA and the military units were very slow to get the forms in place and get the information circulated so that more members would take advantage of the program, and more colleges would build the liaison with the Guard and Reserve units, especially to make the benefits available.

Our two community college associations, nationally, are trying to go out systematically to key States and hold 1-day, drive-in conferences for community college administrators so they in turn get out systematically to build the liaison with their Guard and Reserve units, because we believe that this program will mean a great deal to the skill base that this country has to have to meet global competition, and if there are any members of this committee that would like these associations to help you realize, conduct 1-day conferences for the community college in your districts or in your States, we would be glad to work with you.

Mr. DOWDY. Mr. Saunders?

Mr. SAUNDERS. No further comment, Mr. Chairman.

Mr. DOWDY. One final question. Dean Smith might be able to respond. I would ask all of you if you would like.

It is pretty obvious to me what the answer would be but what impact on the effectiveness of the GI bill would we have if we were to have a restructuring of the benefits so that they were reduced by, say, 50 percent for a person who went into the military for a 3-year hitch?

Dr. J. CLAY SMITH., JR. One of the things fortunately that I have been able to do in my busy life and career is maintain some friendship with some young people, who are in the service, so even though I don't know all the intricacies of the GI bill as the veterans—except I always do want to make sure that that benefit got there on time, that is why I smile because it was always sometimes right on the money when the day of registration occurred. That is even back in the early 1970's.

But I think the reduction is a proper direction, policy direction, reduction from $100 to $50—isn't that your question?

Mr. DOWDY. I did not mean that. I meant the reduction of the benefits, not the reduction of the amount contributed by the young man or woman, but rather the reduction in the amount that that person would receive under the GI bill.

Dr. J. CLAY SMITH., JR. I don't think I understand your question, but if it is to reduce the benefits, I would be opposed to it.

Mr. DOWDY. All right.

Dr. J. CLAY SMITH., JR. I just don't think that that is the right direction for moral reasons first of all, and for educational assistance and for forward movement under this program.

Mr. DOWDY. Maybe I didn't phrase the question properly. I am about out of time but what impact would it have if we cut the benefits in half?

Mr. SAUNDERS. It could only be negative, Mr. Chairman, because of the very serious scarcity that exists today of adequate financial aid to help people meet college expenses.

Dr. J. CLAY SMITH., JR. I just returned from a meeting as I said before where the cost of education was evaluated in higher education, and I think that even though the GI bill principle is for recruitment and retention in the military, I think that there are some good national, affirmative residual policies, and that is to encourage Americans to go on to college, and professional schools such as medical and law school. These veterans are not marginal, mentally marginal in terms of their academic possibilities. I think that to reduce the benefits would be contrary to the overall direction of having an educated society of people in or out of the military.

Mr. DOWDY. My time is almost up. Ms. Rowland, do you care to comment though?

Ms. ROWLAND. Yes, Thank you.

If $300 a month which is the current rate for a 3-year enlistment, if that will make the difference on whether or not someone goes to school, you can bet your bippy that $150 a month will look a lot less attractive, particularly when if they are going into the military they are looking at the financial aid structure. If they can do as well in financial aid without giving 3 years of their life to the military, why should they go in the military? They will lose the incentive as far as I can see.

Mr. DOWDY. Mr. Smith.

Mr. CHRISTOPHER H. SMITH. Thank you, Mr. Chairman.

Thank you for your testimony. I have a couple of questions.

Do you have any indication as to how many service men or women who perhaps previously had not considered college for them as an option who because of the incentive of the GI bill, and because of some of the push they received during recruitment or during their first period of time in the military, then decided and opted for it. In other words, are we essentially getting a new clientele that we could have expected otherwise?

Mr. MENSEL. My only comment, Congressman, is that I think the Army's own data clearly documents an affirmative response to your question. The improvement as General Elton put it, is dramatic in the quality of the personnel that they are attracting. I have heard Army officials say on many occasions that the New GI Bill, because of the higher quality, the new clientele as you put it that is being attracted to serve, because of that quality, you have eliminated an attrition of less skilled people from the Army, which amounts to about a division, a whole division of the Army, from year to year.

That is a tremendous loss to the Army. I think those costs alone might approach the cost of funding the New GI Bill.

Dr. J. CLAY SMITH., JR. I don't know about the Army statistics, but I can tell you that with a son that is 22 years of age who is in college, which is the average age of a person in the Marine Corps, I get my statistics from observing some of the young men who did not have an opportunity to go on to college and who did go into the military. They knew I had been in the Service and the GI bill is one of the incentives that I recommend to them when they ask me why they sould join the military.

Mr. CHRISTOPHER H. SMITH. Mr. Mensel, you indicated that you felt there should be a reduction of the $100 per month contribution. Are you thinking in terms of reducing it to something like 50–50 or a longer period of time? What is your situation?

Mr. MENSEL. I think either of those options would be preferred, Congressman. I think as Chairman Montgomery has indicated, that is an impediment to some of the needier students. They just have family obligations to meet and they cannot spare that hundred dollars, whether it is for 6 months or a year. We don't want to discourage talented people from serving the country and contributing to our national security.

Mr. CHRISTOPHER H. SMITH. Could you tell the committee what the average tuition is, and perhaps room and board using that for a community college, what the average tuition is per college?

Mr. **Mensel**. Chairman, you may have later data than I, but my impression is that total attendance costs for a community college student right now are running in the range of $4,300 to $4,500 a year. Now you are talking tuition which averages probably $700 or $800 now across the country for a full academic year, two semesters, three quarters. You add on top of that meal costs, clothing costs, commuting costs, and our students are primarily commuting students. A lot of people don't understand that the average costs to a commuting student are about the same as those to a boarding student. We have managed finally in the Pell Grant program to eliminate the differential between commuting and boarding students. But the costs are in that range.

One of the exciting things about the New GI Bill is that it offers a needy student not only the $140 a month, assuming he or she is doing an enlistment in the Reserve or Guard, on top of that the drill pay, and on top of that possibly a Pell Grant, it makes the kind of package where for the first time, a truly needy student doesn't have to put bread ahead of education, taking care of roof and sustenance for the family or relatives ahead of doing a good job in school.

Now, with this combination those truly needy students have something where they can put education first.

Mr. **Christopher** H. **Smith**. Thank you.

Mr. **Dowdy**. Mr. Montgomery.

Mr. **Montgomery**. Thank you, Mr. Chairman.

Ms. Rowland, it is good to have you here again testifying before our committee. Thank you for the help you have given us.

Mr. Saunders, nice to see you again. I want to also thank Dean Smith. This is the first time I have had the opportunity to meet you. We have quoted your letter and shown it all around the country. Your letter was certainly helpful to us.

I'm pleased to see Frank Mensel who has been working with us very closely on the GI bill. I guess you could call him "Mr. GI Bill for Education." Frank, you have been there, and you have been outstanding in what you have done for us.

It's great when when you can have the Speaker come by. As somebody pointed out, this is one of the few times a Speaker of the House has appeared before a subcommittee and testified on legislation. So that is a plus for us. I don't think we are going to have much problem in the House of Representatives. But there could be storm warnings in the Senate. We really need your help over there.

It takes a while to get the word out to the educational facilities. If schools think the GI bill is as important as we think it is, they will have to be told we need their help in getting H.R. 1085 enacted.

Frank?

Mr. **Mensel**. Mr. Chairman, we have 500 college trustees and presidents in town here in Washington in this coming week for a national seminar. They will all be working with the Congress, and especially the Senate, on the issue. They will be making the contacts and we won't let you down, sir.

Mr. **Montgomery**. Thank you. I think in the House it would be nice to thank members for supporting the GI bill. We have had it up twice and there has never been a Member voting against it in the full House. We didn't have a roll call but no one got up and opposed it. They said they were all for it.

So therefore, I think everybody is for it.

Mr. **Mensel**. Every House Member who sponsored that has already received a letter of thanks from our Joint Commission on Federal Regulations.

Mr. **Montgomery**. We pointed out what the OMB has told DOD to do about cutting back on the educational benefits. It is really rather sad that they would come up with a proposal like this. We figured out that a young person going on active duty and putting up to $1,200 would have a total of $4,800. Then, you divide by 36 and it comes to $133 per month for 36 months.

They have made a recommendation to OMB to keep the Reserve and Guard just like it is without putting up any money. The guardsmen or reservist gets $140 a month. So that doesn't make sense. Surely they will go back and take another look at that and withdraw that request. To send it up would really be unkind in my opinion.

Thank you.

Mr. **Dowdy**. Mr. Solomon.

Mr. **Solomon**. Thank you, Mr. Chairman.

Mr. Chairman, we have a lot of witnesses to testify and it is getting late, so let me just concur in everything that our Chairman Montgomery just said. We really appreciate your taking time to come before us today. Thanks again.

Mr. **Dowdy**. Mr. Jontz.

Mr. **Jontz**. Mr. Chairman, if I might ask very quickly, would it be correct to state that all of you would support changing the method of payment for the young man or woman from $100 to $50 a month over a longer period of time if that is what the recruit chose? Would that be correct?

Ms. **Rowland**. Yes.

Dr. J. **Clay Smith**., **Jr**. Yes. I would think that. It should be left to the recruit. Some may want to contribute $100 a month; the amount contricuted should be at the choice of the individual.

Mr. **Mensel**. I like the Dean's suggestion. If it can be executed at the option of the service person himself or herself, that would be wonderful. Whatever contract they want to make during the course of their enlistment. If they want to put $1,200 on the line when they enlist, put that in the Federal Treasury, so much the better.

Mr. **Saunders**. Congressman, that sounds like a very reasonable suggestion to me. I just have to state that as far as the association I represent, we simply took no position on amendments to it. Our position is simply to support extension.

Mr. **Jontz**. And could I also ask would it be the position of each of you that the element of transferability would be desirable, or do you have a position? Could you address the transferability of benefits to a spouse or to children?

Mr. **Mensel**. I think that kind of flexibility would work in the national interest. It would strengthen the commitment of the service personnel to extend their service to work harder for this program.

Dr. J. Clay Smith., Jr. I would say that if the bill ran into difficulty on the issues of transferability or refund, I would let it go for the broader principal.

I think that any investment in the serviceman really saves the American people money, and if they stay in the service after training just for transferability of the benefit, I think that the Office of Management and Budget ought to look at that and do what they usually do and do a cost survey.

Mr. Mensel. Let me emphasize the first priority of the community colleges is to get the program enacted as permanent law. Whatever risks are involved we would have to weigh those as to whether they reduce that probability or enhance it.

Mr. Jontz. Thank you.

If I might ask one question of you, Ms. Rowland. You mentioned that from time to time you have active servicemen and women come talk to you who did not sign up for the GI bill. When we were discussing earlier the timing of when the recruit has to make a decision, we were thinking at what time in their basic training made most sense to ask them.

Would that idea appeal to you, given that there are a large number of young men and women in the Armed Forces now who decided against participating when they enlisted for whatever reasons and now see the importance of it?

Does the idea appeal to you of some effort to allow the option again for these young men and women who chose not to participate then, but now would like to?

Is that something you think would be helpful and provide some educational benefits to these members of the armed services who will be coming through later?

Ms. Rowland. Absolutely, because it opens that opportunity for them again to become better readjusted, better educated citizens upon their discharge.

If I might add, one of the individuals that I talked to, he was an American, and he said—he strengthened what the people from the military said earlier. All he was concerned about when he was in boot camp was not getting yelled at. He didn't have the time to think about whether or not he really wanted to participate in an educational program.

He was 10 months into the service when they contacted me to find out if there was anything that he could do. He also didn't understand his options at the time. Apparently he was on a delayed enlistment and came in after July 1, 1985, which would put him into the New GI Bill, but when he enlisted there was much confusion, and they thought he would only be eligible for that one section.

It was an interesting situation.

Mr. Jontz. Thank you.

Mr. Dowdy. Ms. Patterson.

Ms. Patterson. No questions, thank you.

Mr. Dowdy. We want to thank each of the witnesses for being with us and for helping us this afternoon. Thank you very much.

Our next panel is a group of military associations. If you don't object, we will submit the statements of each of the remaining witnesses for the record and go straight to the questions.

We want to have an opportunity to talk with many of you who were with the group when we went to Kentucky, Texas, Florida, and South Carolina last week.

Mr. DOWDY. The witnesses include Chief Alan D. Obermiller, executive director of the Enlisted Association of the National Guard; Col. Ben S. Catlin, assistant executive director of the Air Force Association; Mr. Robert W. Nolan, national executive secretary, Fleet Reserve Association; Ansel M. Stroud, Maj. Gen., president of the National Guard Association of the United States; and Col. Edward P. Smith, director of membership services with the Association of the U.S. Army.

## STATEMENTS OF ALAN D. OBERMILLER, CMS (RET.), EXECUTIVE DIRECTOR, ENLISTED ASSOCIATION OF THE NATIONAL GUARD OF THE UNITED STATES; COL. BEN S. CATLIN, ASSISTANT EXECUTIVE DIRECTOR, AIR FORCE ASSOCIATION; ROBERT W. NOLAN, NATIONAL EXECUTIVE SECRETARY, FLEET RESERVE ASSOCIATION; MAJ. GEN. ANSEL M. STROUD, PRESIDENT, NATIONAL GUARD ASSOCIATION OF THE UNITED STATES; AND COL. EDWARD P. SMITH, U.S. ARMY (RET.), DIRECTOR OF MEMBERSHIP SERVICES, ASSOCIATION OF THE U.S. ARMY

Mr. DOWDY. First, gentlemen, if it meets with your approval, some of you have prepared statements. We would like for those to be made a part of the record, and in the order that I introduced you, you would present your statements.

Mr. DOWDY. Would any of you like to make any comments about any of the testimony that you have heard from prior witnesses or any matter that is not included in your prepared statement?

## STATEMENT OF ROBERT W. NOLAN

Mr. NOLAN. Mr. Chairman, speaking for the Fleet Reserve Association, I was somewhat surprised today to learn of the Department of Defense's proposal or the Administration's, whichever it would be, to reduce the GI bill benefits.

Without a doubt—speaking as a shipmate that has 159,000 members that are career personnel of the Navy and Marine Corps and Coast Guard and enlisted—such a reduction in benefits, we believe, would gut the GI bill.

We stand by our position of full support of the bill now. We agree with Chairman Montgomery's priorities that he stated very frankly to the recruits in our visit last week, that we feel it is imperative—I say particularly so since the Administration has hopes of changing the plan—that the plan be made permanent, and then take a good hard look at the various amendments that we have heard about, all of which the Fleet Reserve Association agrees with.

But nevertheless, we would bow to the urgency of getting a permanent law on the books rather than try to improve the bill at this time.

[The prepared statement of Mr. Nolan appears on p. 179.]

## STATEMENT OF COL. BEN S. CATLIN

Colonel CATLIN. Ben Catlin with the Air Force Association, and we would enthusiastically support the position of Mr. Nolan's, to get the bill through and not support the DOD changes at all.

[The prepared statement of the Air Force Association appears on p. 187.]

## STATEMENT OF MAJ. GEN. ANSEL M. STROUD

General STROUD. On behalf of the National Guard I would like to express our appreciation for being allowed to testify here today. We strongly support H.R. 1085, and statistically we can prove that for the National Guard, both the Army National Guard and the Air National Guard, that the program is working. We are recruiting the highest intelligence-level soldier and airmen we have ever recruited; our retention rate is higher and our turnover rate is lower. That, in essence, proves the program is working.

[The prepared statement of the National Guard Association appears on p. 184.]

## STATEMENT OF SGT. ALAN D. OBERMILLER

Sergeant OBERMILLER. Mr. Chairman, the Enlisted Association of the National Guard of the United States absolutely goes on record to support the New GI Bill and it's being made into permanent legislation. We would resolutely oppose any consideration to make the benefits less than they are because we believe that any attempt to do that would take the attraction of the program away, not only hurting training and retention of the Reserve forces but also the Nation as a whole by turning away people who are currently motivated to get a higher education. If you turn them off at this critical point in their life, then they will turn their back and go someplace else and the Nation as a whole will suffer.

[The prepared statement of Sergeant Obermiller appears on p. 194.]

## STATEMENT OF COL. EDWARD P. SMITH

Colonel SMITH. Mr. Chairman, I represent the Membership Services of the Association of the U.S. Army and we wholeheartedly support the efforts in the immediate passage of H.R. 1085 to make the GI bill permanent now. We would support consideration of changes later but we feel it is important to make the legislation permanent now.

I would also like to add, and this is the only thing I need to add at this point, you have heard General Elton speak of the impact of the bill on quality of enlistments in the Army and you heard the academicians speak on the manner in which colleges and academic institutions are handling the results of the products of the GI bill.

I would like to put in a plug and say that the two institutions have worked together and recently the Army signed an agreement with the Association of Collegiate Registrars and Admissions Officers. This provides counseling for those who are about to depart from the service, who have the benefits of the GI bill coming to them. It lines them up and guarantees that this counseling is done before they depart the ranks so that they are admitted and ready to go onto college campuses and to begin the transition to civilian life that the bill provides for them.

Thank you, Mr. Chairman.

[The prepared statement of Colonel Smith appears on p. 191.]

Mr. **Dowdy**. All right, let me lead off with one question. Last week several of you were with us as we went to some installations and as I have said earlier, we asked a number of people who were participating in the program, specifically I remember in Texas some Air National Guardsmen as I recall, how the program worked.

As I understand it, the VA mails them their checks. Are there problems with the set up and are the checks getting there on time?

Do any of you have any information that would lead us to believe that changes should be made in the structure of how the checks are delivered?

General **Stroud**. Mr. Chairman, I am also the Adjutant General of the State of Louisiana. I know of no instances in our State in recent months where there have been any problems with recipients of this benefit. Initially, in 1985, the guidelines were slow in coming down. There was little publicity. There was confusion, but once the program got underway it is working and working well.

I would simply like to add that in our State 82 percent of the people that have enlisted in the Army National Guard since October 1, 1986, said that they enlisted because of the benefits of the GI bill and in a recent survey of our Air National Guard, 67 percent of those interviewed said that they would not have enlisted had it not been for the GI bill. So it is important.

Sergeant **Obermiller**. I would think that basically if there are problems, and I am not aware that there are significant problems, that they are probably startup problems. In other words, by startup problems I mean getting basic documents, copies of documents together to initially go into a college or a community college. Once that is established, I don't believe there are any problems out there that I have heard of.

Colonel **Smith**. I would agree with my colleagues' statements. I believe the problems probably do exist but they are start up problem. as with any new program, almost all of us experience a certain difficulty. But they can be overcome and I think the right people are working on them.

Mr. **Dowdy**. All right. Chairman Montgomery.

Mr. **Montgomery**. Thank you very much.

I appreciate our witnesses staying around. Actually the hearing is moving very quickly, thanks to you, Mr. Chairman, and the ranking minority member. We do have two other panels but I do appreciate the witnesses here today. Your statements will be in the record and they will help us. I want to thank Colonel Smith, Bob Nolan, and Chief Obermiller for coming on our 2 day inspection trip for the GI bill. That was most helpful.

Thanks also to General Stroud, who is an old friend. General Wellman was very enthusiastic when we got to Kentucky. He brought all the Kentucky press that were there. He was very, very helpful. The National Guard and Reserve groups have been totally supportive.

The Administration is really not bothering the Reserves or the National Guard. They are leaving that program alone. But we want and need the active forces under the GI bill, also. So, I know you are not backing off from helping us because you have not been hit by the OMB.

We need your help to carry the whole program and we have to have the Active and Reserve and National Guard all together, and we will have a strong military force.

I am sure that is everybody down the line, that you are watching that.

General STROUD. Right.

Mr. DOWDY. Mr. Solomon.

Mr. SOLOMON. Mr. Chairman, let me just say as the Ranking Republican on the full Veteran's Affairs Committee I want to also thank all of you that were with us including those out in the audience. It certainly was a tremendously productive trip and I think it is going to provide what we need to push this through the entire Congress and as you said, we are here today not so much to look at the problems or how we can improve the peacetime GI bill today but to take it one step at a time. Let's permanentize it, make sure it will be there for the future and then we can look into possible changes.

I think there are obvious changes that need to be made such as the $100 per month over a short period of 12 months, and perhaps other changes, but again, your testimony and as Sonny Montgomery has said, your support in getting this through the Congress is going to be vital. We really do appreciate your taking time to come here today.

I will reserve some possible questions for the record. I am sure you all won't mind if we submit questions to you in writing. We might want to have them inserted in the record and they will help us for future changes we might want to make.

Thank you, Mr. Chairman.

Mr. DOWDY. Mr. Jontz.

Mr. JONTZ. I have no questions, Mr. Chairman.

Mr. DOWDY. Mrs. Patterson.

Mrs. PATTERSON. No questions.

Mr. DOWDY. Again, we want to thank each of you for being with us last week, those of you who went with us, and for your presence here today. Thank you very much.

Our next panel includes Gen. William R. Berkman, military executive, Reserve Forces Policy Board, Richard W. Johnson, director of legislative affairs, the Non Commissioned Officers Association of the United States of America, Capt. Charles Buesener, director of legislation, Naval Reserve Association, Col. Charles C. Partridge, USA (ret.), legislative counsel, the National Association for Uniformed Services, Mr. Rudy I. Clark, director of military and government relations, Air Force Sergeants Association, Ronald Hayden, vice president for administration, Navy League of the United States, and Maj. Gen. Evan L. Hultman, AUS (ret.), executive director, Reserve Officers Association of the United States.

## STATEMENTS OF GEN. WILLIAM R. BERKMAN, MILITARY EXECUTIVE, RESERVE FORCES POLICY BOARD; RICHARD W. JOHNSON, DIRECTOR OF LEGISLATIVE AFFAIRS, THE NON COMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES OF AMERICA; CAPT. CHARLES BUESENER, DIRECTOR OF LEGISLATION, NAVAL RESERVE ASSOCIATION; COL. CHARLES C. PARTRIDGE, USA (RET.), LEGISLATIVE COUNSEL, THE NATIONAL ASSOCIATION FOR UNIFORMED SERVICES; RUDY I. CLARK, DIRECTOR OF MILITARY AND GOVERNMENT RELATIONS, AIR FORCE SERGEANTS ASSOCIATION; RONALD HAYDEN, VICE PRESIDENT FOR ADMINISTRATION, NAVY LEAGUE OF THE UNITED STATES; AND MAJ. GEN. EVAN L. HULTMAN, AUS (RET.), EXECUTIVE DIRECTOR, RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES

Mr. **Dowdy**. Let me again thank those of you who were with us last week for your assistance then and all of you for being present here today.

Let me again ask, with your permission, that we place your written statements in the record and that we throw it open for questions.

It should be apparent for all of you that everyone on the committee, on both sides of the aisle and in it is a truly bipartisan sense, feels the New GI Bill should be made permanent and its structure should remain essentially intact; the VA should continue to fund the readjustment portion of the program, that basic benefit, and that the benefit should to be reduced.

Is there anyone in the panel who disagrees with any of those statements?

[Laughter.]

Mr. **Johnson**. No,

Mr. **Hayden**. No, sir.

## STATEMENT OF MAJ. GEN. EVAN L. HULTMAN

General **Hultman**. Mr. Dowdy, I would only say, that I regret that I didn't have the opportunity last week to join your group. In my defense, my only excuse was that at that particular time I was in Europe representing 800,000 NATO Reserve officers who are faced with similar types of problems that you are dealing with here.

I would make two observations, if I could beyond what I have reflected in our brief remarks. I think it is incredible that this audience, from all of the sectors that have been represented here, starting with the military itself, all the Active Forces first, the Reserves and so forth, that on the basic issue they are all in agreement.

To to my knowledge, you have not heard on single objection of any kind on the bill itself. I would, Congressman Montgomery, agree wholeheartedly with what you said, that we are in this ballgame all together, I would add that this is the only program really that has given those incentives to the Reserves, the National Guard and the non-National Guard Reserves. So it is critical from that side of the house.

I am not acting as a member of the Finance Committee or anything else, but in a period of budget constraints and the problems that you individually and collectively will face, the Reserve is going to be given greater and greater responsibilities in terms of the total force, and rightly so. We feel we are going to have to make absolutely certain that we don't cut, in any way, those incentives or do anything that would make it more difficult for the Reservist citizen soldier, with his family responsibilities, his job responsibilities, his community responsibilities, as well as his national responsibilities for defense.

I would add a caveat. I think, without question, we must be very careful and changing—I don't like to use the word "tinkering" with—the bill you have passed. I am refeffering to the two or three or four changes you have talked about here. It is a fact that all the record is good. Everything you have heard from every direction is good. So I think you must be very careful and very cautious in this period of budget constraints, et cetera, that you do not do anything that will mean a greater charge on the dollars by increasing the benefits.

If it is working great now, then you must be very careful in terms of increasing whatever those benefits are or should be. Even if all of us would agree that change would be good and might help, I think we have to be very, very careful in analyzing and considering any change in any way. It is good now; it is working now, so before we start changing anything we must be very, very careful.

I will just use one single illustration. I think everybody basically agreed that the decision period is a problem. I understanding that all the young GIs, reservists and actives, thought the period ought to be extended. There are inherent problems with that when you analyze it. On the surface it would appear to be a great thing. First of all, you get the administrative problems—we heard the young lady talk about them.

When you change from the Veteran's Administration to somewhere else, we have to start up all over again. We are all for the New GI Bill; it is good, it has worked. In a time of budget constraint let's be very careful about doing things different unless we know absolutely, one, that the changes are going to better the program without any question, and two, that we are not going to run into a buzz saw in that "other House", as Chairman Montgomery referred to it. We need the program as it is now. If it can be improved upon, that is great but let's don't run any risk in the process.

[The prepared statement of General Hultman appears on p. 200.]

Mr. DOWDY. Mr. Montgomery.

Mr. MONTGOMERY. Thank you, Mr. Chairman.

I would like to thank our panel. Maybe some of them would like to comment. Mr. Johnson, this is the first time I have ever heard you be quiet.

Mr. JOHNSON. Thank you, Mr. Chairman. I appreciate that.

I made a special effort not to say anything. But now that you have opened the door, sir——

Mr. MONTGOMERY. You might pull that microphone up.

## STATEMENT OF RICHARD W. JOHNSON

Mr. Johnson. If I may comment it would only be to echo what so many others have said, and that is that we need to make the program permanent. I do think that on the top I want to thank you for inviting NCOA to come along on the trip.

I think we identified a couple of administrative problems that the committee could encourage the Department of Defense to correct. One was we noticed the more simple the presentation given the recruits, the greater the enrollment in the program.

The more information we clouded the minds of the young people with, the less likely they are to understand what they are enrolling in. In one case, there was a kid that stood up and asked if he had to pay for his own in-service occupational training.

He was so confused by the education presentation that he got—that was down in Florida.

I think that is unfortunate. I think we should advise DOD to give a more simple presentation.

I think that would help enrollment. At the same time I think we should advise DOD to amend their regulations requiring decisions within the first 14 days to a required decision before the end of basic training. Obviously, before but not within those first 14 days.

Aside from that, Mr. Chairman, I once again extend my appreciation to you for inviting NCOA along.

[The prepared statement of the Non Commissioned Officers Association of the United States of America appears on p. 207.]

## STATEMENT OF GEN. WILLIAM R. BERKMAN

General Berkman. Mr. Chairman, I would like to explain the fact I am the only witness in uniform at this table. I am the Military Executive of the Reserve Forces Policy Board within the Office the Secretary of Defense.

That is a board that is chaired by the Honorable Will Hill Tankersley and its membership is composed of general and flag officers of each of the services, Active and Reserve components, including the National Guard, and the Assistant Secretaries for Reserve Affairs of each service.

The current report of the Board has just been sent by the Secretary of Defense to the President. It is currently being printed and it will be distributed to each member of this committee, and the entire House. In their report the board points out that "one of the most critical factors in achieving force readiness is the ability to meet the Selected Reserve manpower requirements—both in numbers and in quality in no small part." Undeniably recruiting and retention successes are due to incentives such as the New GI Bill.

That is the reason that the Reserve Forces Policy Board has supported the New GI Bill and for over 2 years has recommended that it be continued and made permanent legislation.

As a matter of fact, I think it is significant that, not only representatives that you have heard today, Generals Dean, Cheatham, and chief Obermiller, and Generals Marchant, McMerty, Stroud, but representatives that we heard on the field trip from the Reserve components at Lackland Air Force Base, Orlando Naval Station, Fort Knox, and Parris Island, without exception they all emphasized the importance of the New GI Bill in supporting the improvements that the Reserve components are experiencing not only in recruiting but also retention.

I appreciate the opportunity to provide the position taken by the Reserve Forces Policy Board and to commend you and Chairman Montgomery and members of the subcommittee and the entire committee for what you have done for the Reserve components in the New GI Bill for the Selected Reserve.

Thank you very much.

[The prepared statement of General Berkman appears on p. 205.]

Mr. MONTGOMERY. Mr. Chairman, my time has expired, could I have 3 more minutes?

These gentlemen did go on the trip with us and———

Mr. DOWDY. Without objection.

Mr. MONTGOMERY [continuing]. And it would be helpful to share their experiences. Charlie Buesener?

## STATEMENT OF CAPT. CHARLES BUESENER

Captain BUESENER. As the only sailor in the group, and not too far removed as commanding officer of the largest Air and Marine Corp Air Reserve Station on the East Coast, I would like to make these short observations.

The Reserve is the most voluntary of all voluntary forces. If the reservist doesn't like you regardless of whether you have approved them for reenlistment, he tells you by never again showing up.

Unlike the active duty people we have no hold over these people. Item 2, the Naval Air Reserve and Marine Corps Reserve training cycle is essentially a 3-year cycle for the selected reservist. This is due to the complexity of the weapons systems, also the length of some of the schooling.

It is most discouraging to invest in an individual 1½ or 2 years of training and then have him opt not to stay. Force manpower stability is the most important element in Reserve force readiness.

The Reserve portion of the GI bill is easily going to be paid for by the 6-year enlistment obligation. When we talk about air crew, the payoff is even more quickly achieved.

A typical enlisted aircrew requires about 50 to 100 hours of air time at $1,000 an hour to get qualified in a key crew slot. This man onboard for 6 years is truly a rapid pay back for the investment.

Also, I would like to say that at NAS Willow Grove, I also had 1,100 active duty full-time sailors and marines onboard the base. I would recommend in your deliberations that you consider very carefully not changing the GI bill from coming under the VA Administration. If you will, all too often the sad history of military reenlistment bonuses has taken in the sailors' mind the aspects of a flesh market bonus.

As soon as the pyramid is filled up the bonus disappears. It is an appropriate type of thing.

I think we have to strongly stress to these people that once earned this is a vested entitlement and it is not subject to the vagarities of inventory fill, of reaching our goal and short-term reenlistment quotas. It is there and there will remain forever until used.

Therefore, I would urge it not to be linked so strongly with other recruitment incentives although I will admit that it functions in much the same way.

A final comment because I am talking longer here, the Naval Reserve and the Naval Air Reserve, are going to grow 20,000 additional people in the next 2 to 3 years, 20,000 selected reservists. This is exclusively high-tech growth primarily due to the large increase in health care professionals and a migration of more and more sophisticated equipment into the Reserve forces.

The GI bill is absolutely tailored to provide the hi-tech bodies not only qualitatively but quantitatively. We have to get people in and retain them, people that we can teach once and build the next month on what they learn this month, and not repeat the same train. As we had to do in the past.

Thank you very much.

[The prepared statement of Captain Buesener appears on p. 211.]

Mr. MONTGOMERY. Thank you.

Rudy?

Mr. CLARK. Thank you, Mr. Chairman.

One comment, of course——

Mr. MONTGOMERY. Would you tell us who you represent?

### STATEMENT OF RUDY I. CLARK

Mr. CLARK. The Air Force Sergeants Association, sir. It is a shame we couldn't have gotten 315 more bills in the hopper. We got so use to stomping H.R. 1400 it is hard to remember to say H.R. 1085, but we will work it.

The Air Force hates to be last in any program and as you heard General Hickey say, there are incentives being built and we hope that the next time we have an opportunity to speak to you that we will be able to say that we are with the other services with regards to participation rates.

Thank you very much for having us on the trip.

[The prepared statement of Mr. Clark appears on p. 217.]

### STATEMENT OF RONALD HAYDEN

Mr. HAYDEN. On behalf of the 57,000 Navy Leaguers in the Nation, we have this bill as a substance of our national resolution. We wholeheartedly support it.

Mr. MONTGOMERY. From the Navy League. Thank you very much.

General Vern Webber, was on the trip.

Vern, do you want to come to the mike and make a statement?

[The prepared statement of Mr. Hayden appears at p. 236.]

### STATEMENT OF GEN. VERN WEBBER, NATIONAL GUARD ASSOCIATION

Mr. WEBBER. Mr. Chairman, first let me on behalf of my traveling companions and associates express to you, to Chairman Dowdy, to Mr. Solomon, to Richard, Mack Karen and Jill, we just had a great time. That is a rare opportunity that anyone in the military has an opportunity to travel with such a distinguished groups of members of this prestigious committee.

We appreciate it very, very much, and want to thank you on behalf of all of my group.

First, in response to your earlier concern, Chairman Montgomery, for the National Guard Association we in the Army and Air National Guard depend heavily on the individual who leave the active services for whatever reason. We rely on them to come into the Army and Air National Guard.

So from a very parochial view we have an interest in the active services and the New GI Bill, as it pertains to them. So, you can count on our association to come out full-power in support of the continuation or the permanency of the GI bill, and we will support the active part of that.

I would like to take just a moment to inject one additional item into this somewhat complex equation that we discussed here today. That has to do with the readiness of the Army and Air National Guard units.

There are two elements to readiness, one is the manpower, we have talked to that at great length here today. As a reminder let me tell you that in the past 10 years, the Army National Guard has grown approximately 100,000 in end strength. The Air National Guard, approximately 20,000. Thus, the influence of the New GI Bill on the manning.

The other element is that of our readiness of our units to meet the new demands for deployment readiness, mobilization readiness, if you will.

What I am saying is that we have to have the high caliber young men and women come into our unit to deal with it, as was stated here, the high-tech environment in which we are in.

These are demanding MOSs and AFDCs that we have in the Army Air National Guard. We need to have quality people. We are getting the quality people thank to the GI bill.

As Mr. Mensel had said earlier, that this is a great plus for the Guard and the Reserve as our members on a somewhat day to day basis are able to pursue their civilian education under the New GI Bill at the same time they are performing that most demanding assignment in the Air Army and Air National Guard.

Thank you again for the opportunity to make the trip and to be here today with you.

[The prepared statement of the National Guard Association appears on p. 184.]

Mr. Dowdy. Colonel Partridge, we had the pleasure of General Pennington being with us on the trip. Do you have any comments you would like to make in his absence?

## STATEMENT OF COL. CHARLES C. PARTIDGE

Colonel Partridge. Yes. He wants me to thank you for inviting him on that trip. He has worked many, many years on this program with this committee back in the early days before the New GI Bill was passed.

He said that the trip confirmed his belief that it is the most important recruiting and readjustment program that the Nation has.

He strongly supports it, strongly urges the VA to continue handling the basic benefit with DOD providing the kickers as necessary and would oppose any reduction in the benefit.

We agree with General Hultman—let's go ahead and get this bill through for the young men and women coming in to the services now. Adjustments in the program can be made later.

Thank you very much.

[The prepared statement of Colonel Partridge appears on p. 214.]

Mr. Dowdy. Mr. Solomon.

Mr. Solomon. First of all, let me thank all of you on the panel for coming before and also those of you who participated on the trip.

I guess the message I am getting here is that we don't want to cut anything or do anything that would make it more difficult for men and women to serve in the Armed Forces of this country.

There is a resurgence of patriotism in this country like we haven't seen in a long, long time. You can see it in high schools, on the streets, in college campuses. ROTC is no longer a dirty word; it is a good word, and that is the way it should be.

If we are going to support this All-Volunteer Army, the regular armies and military, and we must, it is imperative to have a strong Reserve to back it up. That is what has been happening in recent years with these benefits.

I think, Captain Buesener, you pointed out the big difference between the other incentives and the GI bill, of a one-time bonus for re-upping compared to the GI bill which is under the Veterans' Administration, and that is where it should be, because it is an entirely different issue.

I am pleased that we have unanimity from all of your organizations that think we ought to leave that with the Veterans' Administration. Certainly Mr. Montgomery, Wayne Dowdy and the other members think so, and that is going to be tremendously helpful for us. That is one of the pushes we really need in order to succeed.

I guess with that, I want to thank you for coming before the committee.

Mr. Dowdy. Ms. Patterson.

Ms. Patterson. Mr. Chairman, the only remark I would have at this time, as I have gone through this afternoon I have regretted more and more I was not on the trip, not only for what we learned but for the entertainment we received from those who were there and shared with us their conversation.

I think this has pointed out the importance of education, and that is why I am enjoying serving on this committee, is that education is important, well, to the life and well-being of our country, and we certainly need to give incentives to our men and women who want to serve to continue their education.

Mr. Montgomery. We are sorry she couldn't make the trip, but we are glad her husband is here today. We are glad to have Mr. Patterson here from South Carolina. Liz said you are checking on her.

Mr. Dowdy. We want to thank each of the witnesses on the panel. Thank you very much.

At this time we will call the last panel for the day.

## STATEMENTS OF JOSEPH E. MILLER, ASSISTANT DIRECTOR, NATIONAL LEGISLATIVE COMMISSION AND MICHAEL SCHLEE, DIRECTOR, NATIONAL SECURITY AND FOREIGN RELATIONS COMMISSION, THE AMERICAN LEGION; RICHARD SCHULTZ, ASSOCIATE NATIONAL LEGISLATIVE DIRECTOR, DISABLED AMERICAN VETERANS; BOB MORAN, ASSOCIATE LEGISLATIVE DIRECTOR, PARALYZED VETERANS OF AMERICA; AND DENNIS M. CULLINAN, ASSISTANT DIRECTOR, NATIONAL LEGISLATIVE SERVICES, VETERANS OF FOREIGN WARS OF THE UNITED STATES

Mr. DOWDY. We want to thank all of you for your presence here today. Before I call on you, I want to thank the chairman of the full committee, the ranking member, Mr. Solomon, Mrs. Patterson, and the members of the other committees who have been present today.

I think that you can see, since you have been here as long as we have, that there is a lot of interest in this legislation.

So having said that, Mr. Cullinan, we will start with you. What would you add to what has already been said?

Let me ask you this again. We found out that the program, as it is presently set up, seems to be working pretty well. There were some exceptions to that, but as a general rule we have been told that the program seems to work the way administratively it is set up now.

Do you have an opinion to the contrary?

### STATEMENT OF DENNIS M. CULLINAN

Mr. CULLINAN. Certainly not to the contrary. The one observation I would make, we are interested in having the program made permanent. Thus, we would hold back with any suggestions for refinements until some later date.

One concern I would voice at this point in time is that we think the Veterans' Administration should retain the funding for the program. Certainly the initial benefit, and that that shouldn't be changed. We see that only as being detrimental to the program and to veterans.

[The prepared statement of Mr. Cullinan appears on p. 219.]

Mr. DOWDY. Let me ask the other members. Do any of you have any reason to say that there should be changes in the program administratively? Do you, from your membership, hear that the program is not working? Do you know anything different from what I was told last week that checks get there on time and administratively the program runs pretty well?

### STATEMENT OF BOB MORAN

Mr. MORAN. First, I would like to say Gordon Mansfield from PVA appreciated the opportunity going on the trip with the members.

The only comment I think we would like to make is the time frame for operating into the program. There was concern it was a little too soon. Some of them weren't clearly understanding that. That was a problem.

I think some of the concerns brought up today about the dollar amount paid into may be lowering it and extending it over a period of time. That is the only two comments that we really have.

Mr. Dowdy. Mr. Schultz.

[The prepared statement of Mr. Moran appears on p. 224.]

### STATEMENT OF RICHARD SCHULTZ

Mr. Schultz. Mr. Chairman, we really haven't heard anything from our people out in the field as to any problems they are having, and we have no suggestions as far as any changes in the program as currently administered.

[The prepared statement of Mr. Schultz appears on p. 227.]

Mr. Dowdy. Mr. Schlee.

### STATEMENT OF MICHAEL SCHLEE

Mr. Schlee. First of all, I would like to say it was a pleasure, Mr. Chairman, and you Mr. Montgomery, sir, which I learned in Paris Island, to be on the trip with you. I would like to take a few moments to give you some of my observations on the trip.

I spent a year in 1966 training troops at Fort Jackson where you were on the October trip, 5 years in the early 1970's, training National Guard troops. I think the men and women I saw down there are by far the best caliber I have ever addressed.

I think we should bear in mind one fact, though. They are, in fact, 18 years old, and as far as the curriculum goes, two strong suggestions I have is, number one, perhaps I didn't pick it up, but no where in the training is it mentioned the number of VA-approved facilities, which is close to 8,000. I think an 18-year-old would want to know the numbers and the types of facilities, and it would be enhancement to his consideration of the GI bill.

Additionally, I know Chairman Mongtomery has alluded to this, whether we go with the $100 or $50 a month contribution. I don't think there was enough emphasis for 18- or 19-year-olds on what the true tax benefit is. I think the chairman said $70 or less.

In my personal case, 15 percent at the lowest level, State and FICA, it is a 30-percent reduction. So we are talking about 70 true, bread and butter on the table dollars. Or in the case of $50, only 30 bucks.

Again, I express my appreciation to both the chairman, both chairmen, and all the traveling companions. It is the first time I have done this, and it was a most impressive trip, well organized, and I think we learned a heck of a lot.

I think it was organized where we could get down to the hearts and souls and how the troops, both men and women, really feel in the Armed Forces today.

Mr. Dowdy. Mr. Miller, are you aware of any problems administratively in terms of the checks getting to those who participate in the program?

### STATEMENT OF JOSEPH E. MILLER

Mr. Miller. Mr. Chairman, I think we have to understand—my understanding is there has been approximately 147,000 reservists go through the program but very few active duty people at this point are eligible.

In fiscal year 1987, there will be approximately 800 people into the program, and I think at the end of 1987 we will be able to better judge just how well the VA has managed to provide that kind of administrative support.

Certainly, there were problems in the past, but those are always start-up problems, problems with forms not being where they are supposed to be, and I myself went to school under the GI bill, and I am aware the VA can remedy those problems when they are made, when they are aware they exist.

I think we have to reserve judgment on problems until we have had a substantial number of people start into the program and see if there is something consistently wrong.

[The prepared statement of the American Legion appears on p. 229.]

Mr. MONTGOMERY. Mr. Chairman, I would like to take this opportunity to thank the veterans' organizations for being here today and testifying, and also for having representation on the trip.

Every major veterans' organization was represented there. I think in the long run, having the VA administer the program and handle the program. These young men and women each month under the GI bill, after they start using the GI bill, they will get a check from the Veterans' Administration.

Even though they will eventually be veterans—and let's hope all of them stay peace time veterans—I think it strengthens our position, especially this committee, when we have educated veterans out there that back the programs we must oversee. A number of these peacetime veterans are going to be members of Congress some day. They are going to recall they got their check from the Veterans' Administration, and they are veterans.

So, I think it is a good home run for us. It is administered by the VA. They have the experience. It has been done for 50 years like that now, 40 years. That is the way it ought to stay.

Thank you again, veterans' organizations, for helping us out on this very important piece of legislation.

Mr. DOWDY. Mr. Solomon.

Mr. SOLOMON. I just want to concur again with what Congressman Montgomery has said. We want to thank you for sticking around and being last. It is not because you are not just as important as the others; you certainly are.

Again, we appreciate your being on the trip with us and all of you, and I think maybe next year we can do the same thing over again when we start filling in the nuts and bolts on any changes that need to be made.

We appreciate it. Thanks very much.

Mr. DOWDY. Mrs. Patterson.

Mrs. PATTERSON. No questions.

Mr. DOWDY. We thank you very much for being here this afternoon and for your assistance.

If there are no other witnesses before the committee, the hearing stands adjourned.

[Whereupon, at 4:15 p.m., the subcommittee was adjourned, subject to the call of the Chair.]

# APPENDIX

100th CONGRESS
1st Session

# H. R. 1085

To amend title 38, United States Code, to make permanent the new GI bill educational assistance programs established by chapter 30 of such title, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

February 11, 1987

Mr. **Montgomery** (for himself, Mr. **Solomon**, Mr. **Dowdy** of Mississippi, Mr. **Smith** of New Jersey, Mrs. **Patterson**, Mr. **Wylie**, Mr. **Jontz**, Mr. **Ridge**, Mr. **Evans**, Mr. **Dornan** of California, Ms. **Kaptur**, Mr. **Stenholm**, Mr. **Kennedy**, Mr. **Edwards** of California, Mr. **Hammerschmidt**, Mr. **Applegate**, Mr. **Stump**, Mr. **Mica**, Mr. **McEwen**, Mr. **Penny**, Mr. **Burton** of Indiana, Mr. **Staggers**, Mr. **Bilirakis**, Mr. **Rowland** of Georgia, Mr. **Rowland** of Connecticut, Mr. **Bryant**, Mr. **Smith** of New Hampshire, Mr. **Florio**, Mr. **Davis** of Illinois, Mr. **Gray** of Illinois, Mr. **Kanjorski**, Mr. **Robinson**, Mr. **Harris**, Mr. **Johnson** of South Dakota, Mr. **Price** of Illinois, Mr. **Dickinson**, Mr. **Bennett**, Mr. **Spence**, Mr. **Stratton**, Mr. **Badham**, Mr. **Nichols**, Mr. **Hopkins**, Mr. **Daniel**, Mr. **Davis** of Michigan, Mr. **Dellums**, Mr. **Hunter**, Mrs. **Schroeder**, Mr. **Martin** of New York, Mrs. **Byron**, Mr. **Kasich**, Mr. **Mavroules**, Mr. **Bateman**, Mr. **Hutto**, Mr. **Sweeney**, Mr. **Skelton**, Mr. **Blaz**, Mr. **Leath** of Texas, Mr. **Ireland**, Mr. **McCurdy**, Mr. **Hansen**, Mr. **Foglietta**, Mr. **Weldon**, Mr. **Dyson**, Mr. **Kyl**, Mr. **Hertel** of Michigan, Mr. **Ravenel**, Mrs. **Lloyd**, Mr. **Sisisky**, Mr. **Ray**, Mr. **Spratt**, Mr. **McCloskey**, Mr. **Ortiz**, Mr. **Darden**, Mr. **Bustamante**, Mrs. **Boxer**, Mr. **Hochbrueckner**, Mr. **Brennan**, Mr. **Pickett**, Mr. **Quillen**, Mr. **Jenkins**, Mr. **Hefner**, Mr. **Lancaster**, Mr. **Rahall**, Mr. **Perkins**, Mr. **Huckaby**, Mr. **Valentine**, Mr. **Hubbard**, Mr. **Roemer**, Mr. **Hall** of Texas, Mr. **Rodino**, Mr. **Boner** of Tennessee, Mr. **Lent**, Mr. **Lagomarsino**, Mr. **Lujan**, Mrs. **Smith** of Nebraska, Mr. **Coleman** of Texas, Mrs. **Collins**, Mr. **de la Garza**, Mr. **Stangeland**, Mr. **Jacobs**, Mr. **Gaydos**, Mr. **Gonzalez**, Mr. **Mollohan**, Mr. **Derrick**, Mr. **Lipinski**, Mr. **Pepper**, Mr. **Nowak**, Mr. **Atkins**, Mr. **Morrison** of Connecticut, Mr. **Mack**, Mr. **Baker**, Mr. **Boucher**, Mr. **Oxley**, Mr. **Myers** of Indiana, Mr. **Martinez**, Mr. **Lowery** of California, Mr. **Wolf**, Mr. **Young** of Florida, Mr. **Richardson**, Mr. **Kostmayer**, Mr. **Grandy**, Mr. **Sensenbrenner**, Mr. **Frank**, Mr. **Downey** of New York, Mrs. **Boggs**, Mr. **Bevill**, Mr. **Wortley**, Mr. **Manton**, Mr. **Daub**, Mr. **Hughes**, Mr. **Traxler**, Mr. **Coelho**, Mrs. **Kennelly**, Mr. **McGrath**, Mr. **Fish**, Mr. **Rose**, Mr. **Parris**, Mr.

Smith of Florida, Mr. Lehman of Florida, Mr. McHugh, Mrs. Bentley, Mr. Thomas A. Luken, Mr. Glickman, Mr. Williams, Mr. Emerson, Mr. Dwyer of New Jersey, Mr. Cardin, Mr. Regula, Mr. Kleczka, Mr. Yatron, Mr. Nielson of Utah, Mr. Visclosky, Mr. Frost, Mr. Schumer, Mr. Torres, Mr. Fazio, Mr. Murphy, Mr. Scheuer, Mr. Feighan, Mr. Panetta, Mr. Vento, Mr. Thomas of Georgia, Mr. Howard, Mr. Roe, Mr. Eckart, Mr. Dixon, Mr. Roybal, Mr. Sundquist, Mrs. Johnson of Connecticut, Mr. Molinari, Mr. Gallo, Mr. Wolpe, Mr. Towns, and Mr. Kildee) introduced the following bill; which was referred jointly to the Committees on Veterans' Affairs and Armed Services

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# A BILL

To amend title 38, United States Code, to make permanent the new GI bill educational assistance programs established by chapter 30 of such title, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. ELIMINATION OF TEMPORAL RESTRICTIONS ON AVAILABILITY OF NEW GI BILL EDUCATIONAL ASSISTANCE PROGRAMS.

(a) Active Duty Program.—Section 1411(a)(1)(A) of title 38, United States Code, is amended by striking out "during the period beginning on July 1, 1985, and ending on June 30, 1988," and inserting in lieu thereof "after June 30, 1985,".

(b) Active Duty and Selected Reserve Program.—Section 1412(a)(1)(A) of such title is amended by striking out "during the period beginning on July 1, 1985, and ending on June 30, 1988," and inserting in lieu thereof "after June 30, 1985,".

(c) SELECTED RESERVE PROGRAM.—Section 2132(a)(1) of title 10, United States Code, is amended by striking out "during the period beginning on July 1, 1985, and ending on June 30, 1988" and inserting in lieu thereof "after June 30, 1985".

# OPENING STATEMENT OF

# HONORABLE WAYNE DOWDY, CHAIRMAN

# SUBCOMMITTEE ON EDUCATION,

# TRAINING AND EMPLOYMENT

# HEARING ON H.R. 1085

FEBRUARY 18, 1987

GOOD AFTERNOON, LADIES AND GENTLEMEN, AND WELCOME TO THE FIRST HEARING OF THE SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT IN THE 100TH CONGRESS. WE ARE MEETING TODAY TO REVIEW H.R. 1085, A BILL AUTHORED BY THE CHAIRMAN OF THE FULL COMMITTEE, SONNY MONTGOMERY, AND COSPONSORED BY 174 MEMBERS OF THE HOUSE. THIS BILL WOULD MAKE PERMANENT THE EDUCATIONAL ASSISTANCE PROGRAM FOR MEMBERS OF THE ALL VOLUNTEER FORCE UNDER CHAPTER 30 OF TITLE 38, AND THE PROGRAM OF EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE SELECTED RESERVE UNDER CHAPTER 106 OF TITLE 10. TOGETHER, THESE PROGRAMS ARE GENERALLY KNOWN A THE NEW GI BILL.

DURING THE PAST SEVERAL YEARS, TWO ISSUES OF PARTICULAR CONCERN HAVE BEEN WIDELY DEBATED IN THIS COUNTRY. THE FIRST IS THE IMPORTANCE AND AVAILABILITY OF HIGH QUALITY EDUCATION FOR OUR NATION'S CITIZENS. THE SECOND IS ACHIEVING AND MAINTAINING A STRONG NATIONAL DEFENSE. WITH THE ENACTMENT OF THE NEW GI BILL IN OCTOBER, 1984, THE CONGRESS TOOK AN IMPORTANT STEP TOWARD ADDRESSING BOTH ISSUES. THE NEW GI BILL PROVIDES AN EXCELLENT OPPORTUNITY FOR POST-SECONDARY EDUCATION AND TRAINING TO THOUSANDS OF YOUNG PEOPLE WHO, BUT FOR THIS PROGRAM, MIGHT NOT BE ABLE TO FURTHER THEIR EDUCATION. AT THE SAME TIME, THE NEW GI BILL PROVIDES A COST-EFFECTIVE MEANS TO STRENGTHEN OUR NATIONAL DEFENSE BY RECRUITING HIGH QUALITY YOUNG MEN AND WOMEN.

LAST WEEK, I VISITED SERVICE TRAINING BASES WITH CHAIRMAN MONTGOMERY AND MANY OF THE INDIVIDUALS WHO WILL BE TESTIFYING BEFORE THE SUBCOMMITTEE LATER TODAY. I WAS IMPRESSED BY THE ENTHUSIASM EXPRESSED FOR THE NEW GI BILL BY THOSE IN POSITIONS OF COMMAND. I WAS EVEN MORE IMPRESSED, HOWEVER, BY THE INTEREST IN THE PROGRAM SHOWN BY THE YOUNG RECRUITS. BY THEIR QUESTIONS AND COMMENTS, THESE YOUNG PEOPLE DEMONSTRATED A DEEP APPRECIATION FOR THE IMPORTANCE OF EDUCATION IN THEIR LIVES AND A DEFINITE ABILITY TO KNOW A GOOD DEAL WHEN THEY SEE IT. AT FORT KNOX, THE STATEMENT WAS MADE, "IF YOU GIVE A RECRUIT A DOLLAR TODAY, IT WILL BE GONE TOMORROW. IF YOU GIVE A RECRUIT AN EDUCATION, IT WILL BE WITH THAT RECRUIT THE REST OF HIS LIFE." THE YOUNG PEOPLE WE MET

UNDERSTAND THE TRUTH AND WISDOM IN THAT STATEMENT AND ARE GRATEFUL THAT IN EXCHANGE FOR HONORABLE SERVICE, THEY WILL BE PROVIDED THE MEANS TO PURSUE FURTHER EDUCATION AND INCREASE THEIR SKILLS.

OUR NEWEST SERVICEMEMBERS ARE BRIGHT, AMBITIOUS, AND EAGER TO SERVE THEIR COUNTRY. THEY ARE ALSO ENTERING THE MILITARY TO GET AN EDUCATION, AND THEY KNOW THE NEW GI BILL IS ONE OF THE MOST EFFECTIVE PROGRAMS AVAILABLE TO THEM.

THEY KNOW THAT IF THEY CHOOSE TO LEAVE THE SERVICE AFTER COMPLETION OF THEIR ENLISTMENT, THE NEW GI BILL WILL ASSIST THEM IN THEIR READJUSTMENT TO CIVILIAN LIFE. THEY ALSO KNOW THAT IF THEY CHOOSE TO STAY IN THE MILITARY, THEY CAN USE THEIR EDUCATION BENEFITS WHILE THEY ARE ON ACTIVE DUTY. THE MEN AND WOMEN WE MET AND TALKED WITH LAST WEEK ARE THE FUTURE LEADERS OF OUR NATION - MILITARY LEADERS, COMMUNITY LEADERS, AND NATIONAL LEADERS - AND I CAN ASSURE YOU OUR FUTURE IS IN GOOD HANDS.

IN THE DEMOCRATIC RESPONSE TO THE PRESIDENT'S STATE OF THE UNION MESSAGE LAST MONTH, THE SPEAKER OF THE HOUSE, JIM WRIGHT, STRESSED THAT, IN THE 100TH CONGRESS, EDUCATION WOULD BE IN ITS RIGHTFUL PLACE AT THE PINNACLE OF OUR NATIONAL PRIORITIES. HE POINTED OUT THAT THE BEST FINANCIAL INVESTMENT THIS COUNTRY EVER MADE WAS THE GI BILL ESTABLISHED AT THE END OF WORLD WAR II. WE ON THIS COMMITTEE AGREE WITH THE SPEAKER AND KNOW THAT THE NEW GI BILL WILL PROVIDE THE SAME DIVIDENDS AS DID ITS PREDECESSORS - DIVIDENDS TO THE SERVICEMEMBERS, TO THE ARMED FORCES, AND TO THE NATION.

THERE IS BROAD, BIPARTISAN SUPPORT FOR CONTINUATION OF THE NEW GI BILL IN BOTH THE HOUSE AND SENATE. THE SENATE VETERANS' AFFAIRS COMMITTEE HELD HEARINGS ON THIS ISSUE EARLIER THIS MONTH, AND SENATOR CRANSTON AND SENATOR MURKOWSKI HAVE LONG BEEN STAUNCH ADVOCATES OF THE NEW GI BILL. THE TIME FOR TESTING IS OVER. THE TIME HAS COME TO MAKE THE NEW GI BILL A PERMANENT PROGRAM.

BEFORE WE PROCEED TO OUR FIRST WITNESS, I WANT TO GIVE THE RANKING MINORITY MEMBER OF THIS SUBCOMMITTEE, CHRIS SMITH OF NEW JERSEY, AN OPPORTUNITY TO MAKE A STATEMENT. CHRIS, I LOOK FORWARD TO WORKING CLOSELY WITH YOU DURIN THE 100TH CONGRESS.

OUR FIRST WITNESS TODAY WILL BE THE DISTINGUISHED CHAIRMAN OF THE FULL COMMITTEE, G. V. (SONNY) MONTGOMERY. SONNY, I AM HONORED TO HAVE YOU AS OUR LEAD-OFF WITNESS. YOU ARE THE FATHER AND CHIEF ARCHITECT OF THE NEW GI BILL, AND WE ALL LOOK FORWARD TO YOUR TESTIMONY.

# RECORD STATEMENT OF
# HONORABLE G. V. (SONNY) MONTGOMERY

## H. R. 1085

FEBRUARY 18, 1987

Mr. Chairman, I want to congratulate you on assuming the chairmanship of the Subcommittee on Education, Training and Employment. I also appreciate the priority you have given to holding hearings on making the New GI Bill permanent. H.R. 1085 makes no other changes to the existing program. 174 of our colleagues have joined as cosponsors of our bill.

The future of the New GI Bill is one of the most critical issues we must act on this Session. Since H.R. 1085 was jointly referred to the Armed Services Committee, I hope to get early action over there and have the bill to the Floor by the end of March. I am optimistic that we can complete action on H.R. 1085 in record time.

Wayne, you and several other members of the Education Subcommittee, along with representatives of military associations and veterans organizations, were with me last week on our visit to service training bases where we had the opportunity to observe, first hand, the enthusiasm for the New GI Bill expressed by base commanders, recruiters, trainers and, especially, the recruits themselves. I know you will agree with me that those in the best position to evaluate this program give it an A+.

It is succeeding as a readjustment benefit for the servicemembers, as a powerful recruitment tool for all the services, and as a program which is going to greatly benefit the nation as a whole.

On October 19, 1984, the New GI Bill was signed into law. It was a day that marked the culmination of more than four years of hard work on both sides of Capitol Hill to further ensure the Nation's strength and security. Already, we can look back on that day as one of the most important in the history of our country's Armed Forces.

On January 28, 1981, I first introduced H.R. 1400, a bill to establish the New GI Bill. Prior to that date, we had worked for over eight months with the military service departments to lay the groundwork for this legislative proposal. It has proven to be time well spent.

The New GI Bill is fulfilling the purposes set out by Congress. First and foremost, it will assist in the readjustment of members of the Armed Forces to civilian life after their separation from military service. It is providing education assistance for tens of thousands of young men and women who otherwise might not be able to go to college or pursue other post-secondary training.

A first century philosopher observed, "Only the educated are free." This statement is no less true as we move into the 21st century, and it is our responsibility to enable those who willingly protect our freedom to also pursue their personal freedom and self-improvement through education.

In addition to facilitating service-members' readjustment, the New GI Bill is designed to attract high quality personnel to the active and reserve components of the Armed Forces.

Mr. Chairman, participation rates in all branches of military service confirm the New GI Bill's value to the young people volunteering to serve in our country's armed forces. The latest available statistics show that 84 percent of all new Army recruits are now participating in the New GI Bill. The Navy is signing 54 percent of its recruits; 64 percent of Marine Corps enlistees are opting for the program; and the Air Force reports that 44 percent of its new recruits are enrolling. Through the end of December 1986, 43,130 members of the Selected Reserve had already initiated training under the New GI Bill.

Statistics compiled by the U.S. Army dramatically demonstrate the recruiting power of the New GI Bill. Today, more than 90 percent of Army recruits are high school graduates compared to 54 percent in 1980. The percentage of recruits scoring in the uper half of the Armed Forces Qualification Test (AFQT) jumped from 26 to 63 percent during the same period.

Quality male recruits increased 10 percent during the first year of the New GI Bill over the final 12 months of VEAP, the previous education program, a program which proved to be a dismal failure. Particularly impressive are the statements of 43 percent of the high quality recruits who said they would not have joined the Army but for the educational assistance benefits available under the New GI Bill.

The first year impact of the New GI Bill on Army Reserve recruitment has been equally impressive. Army Reserve high quality recruits increased 24 percent and six-year enlistments increased 28 percent over the year prior to the implementation of this new program.

The other services are as enthusiastic as the Army in their support for continuation of the New GI Bill. The Air Force points to the seven fold increase in New GI Bill participation over VEAP and notes that most New GI Bill participants are in mental categories I and II.

Clearly, the smartest young people are coming into the Air Force to take advantge of the available education benefits. Additionally, the number one reason given for enlistment in the Air Force Reserve is the New GI Bill. Both the Marine Corps and the Navy rate this new education assistance program as a critical component of their recruiting package.

Without the New GI Bill, the services would be forced to compete with an expanding job market and educational institutions in order to attract high quality and larger percentages from a shrinking pool of eligible recruits. However, since the implementation of the New GI Bill, and because of it, the Congress and the military have forged a new, stronger alliance with our community and junior colleges, universities and training institutions to ensure that those individuals who desire to further their eductions may do so, and may do so with the knowledge that they earned it in service to their country.

Several of our witnesses who will testify later this afternoon accompanied us when we visited four training bases last week. I know they gained a deeper insight into the importance of the New GI Bill, as I did on this and earlier visits. It is very important that we get out of Washington and into the field so that we can talk with those who really know what's important to the recruits and the services. Brigadier General Paul Funk, Assistant Commandant of the Army Armor School at Fort Knox, told us that he has commanded troops in the 60's, 70's, and 80's. He says the young people coming into the Army today are the best ever. According to General Funk, "The New GI Bill has made the Army a great place to soldier."

The Adjutant General of Kentucky, General Billy Wellman, told us, "The New GI Bill is the most attractive and important benefit we have to offer... I don't know of any program more important to the military – Guard, Reserve, and active force – than the New GI Bill."

Mr. Chairman, as far as I'm concerned, statements like these and others we heard last week make the case for establishing the New GI Bill as a permanent program. The mandate is clear. With 174 original cosponsors, the bipartisan support for H.R. 1085 is strong. I urge swift action on this legislation. Thank you, Mr. Chairman.

# STATEMENT OF THE HONORABLE
# CHRISTOPHER H. SMITH
# BEFORE THE SUBCOMMITTEE ON
# EDUCATION, TRAINING, AND EMPLOYMENT
# FEBRUARY 18, 1987

THANK YOU, MR. CHAIRMAN.

I COMMEND YOU FOR CALLING THIS HEARING AND MARK-UP ON H.R. 1085, TO MAKE THE NEW GI BILL PROGRAM PERMANENT. THE DISTINGUISHED CHAIRMAN OF OUR FULL COMMITTEE IS THE FATHER OF THE NEW GI BILL, WHICH IS NOW A TEST PROGRAM. I THINK IT IS SIGNIFICANT THAT EVERY MEMBER OF THE HOUSE VETERANS' AFFAIRS COMMITTEE HAS CO-SPONSORED H.R. 1085.

MR. CHAIRMAN, WE KNOW FROM TALKING WITH COMMANDERS AND NEW RECRUITS THAT THE NEW GI BILL TEST PROGRAM HAS BEEN A TREMENDOUS SUCCESS. RARELY HAVE I SEEN A LEVEL OF ENTHUSIASM AND CONSENSUS FOR ANY GOVERNMENT PROGRAM TO MATCH THAT WHICH EXISTS FOR THE NEW GI BILL.

THANKS IN LARGE PART TO IT, THE MILITARY SERVICES HAVE THE HIGHEST QUALITY RECRUITS EVER TO JOIN UP. AND EVERYBODY COMES OUT A WINNER - THE RECRUIT, THE DEPARTMENT OF DEFENSE, AND OUR NATION AS A WHOLE.

IMPROVEMENTS HAVE BEEN SUGGESTED FOR THE NEW GI BILL, AND POSSIBLE WAYS TO IMPROVE THE PROGRAM ARE BEING CONSIDERED. HOWEVER, I AGREE WITH MR. MONTGOMERY THAT WE OUGHT TO KEEP FIRST THINGS FIRST, AND ELEVATE THE PROGRAM FROM A TEST STATUS TO A PERMANENT STATUS. THEN WE CAN CONSIDER HOW TO MAKE A GREAT PROGRAM EVEN BETTER. IT CERTAINLY IS OBVIOUS HOW I FEEL ABOUT THE NEW GI BILL. I AM GOING TO VOTE TO MAKE IT PERMANENT.

MR. CHAIRMAN, WE HAVE MANY WITNESSES WHO ARE GOING TO TESTIFY ABOUT THE PROGRAM THIS AFTERNOON. THOUGH THERE'S LITTLE DOUBT ABOUT HOW OUR SUBCOMMITTEE MARK-UP WILL GO, IT IS IMPORTANT FOR US TO DEMONSTRATE THE STRENGTH AND DEPTH OF THE SUPPORT FOR THE NEW GI BILL. DOD AND VA OFFICIALS, REPRESENTATIVES OF RESPECTED MILITARY ASSOCIATIONS AND VETERANS' GROUPS WILL SHARE THEIR VALUABLE EXPERIENCE AND INSIGHTS WITH US, AND I LOOK FORWARD TO LEARNING WHAT THEY WILL HAVE TO SAY ON THIS IMPORTANT SUBJECT.

THANK YOU, MR. CHAIRMAN.

STATEMENT OF
R. J. VOGEL
CHIEF BENEFITS DIRECTOR
VETERANS ADMINISTRATION
BEFORE THE
SUBCOMMITTEE ON EDUCATION, TRAINING
AND EMPLOYMENT
HOUSE OF REPRESENTATIVES
FEBRUARY 18, 1987

Mr. Chairman and members of the Subcommittee:

I am pleased to appear here today to give you the views of the Veterans Administration concerning legislation pending before your Subcommittee which would make the New GI Bill programs permanent. Educational assistance programs under the New GI Bill are provided under title 38, United States Code, chapter 30, and under title 10, United States Code, chapter 106. We refer to these programs respectively as the New GI Bill-Active Duty and the New GI Bill-Reserves.

I want to talk about our experience so far with the New GI Bill and provide the Subcommittee with some projections for the expected growth of the New GI Bill. However, before doing that, I think it would be helpful to outline a brief historical perspective of our educational assistance programs.

Mr. Chairman, we have a proud tradition in this country of assisting in the smooth transition of veterans from military to civilian life through educational and training assistance for over 42 years now. Since June 1944, over 18 million veterans and service personnel have received educational assistance under three GI Bills. These 18 million veterans and servicepersons include 7.8 million under the World War II GI Bill, almost 2.4 million trainees under the Korean conflict GI Bill, and over 8 million trainees under the post-Korean Vietnam era GI Bill. All of these programs operated in conjunction with the draft and afforded a readjustment opportunity for many people whose lives were involuntarily disrupted. The programs pursued have taken place in classrooms, businesses, on farms, at schools of higher learning and even at elementary schools. In terms of content, they range from basic science to quantum mechanics, and everything in between.

The costs of these three GI Bills totalled close to $60 billion. Out of this figure, $14.5 billion was spent on the World War II GI Bill; $4.5 billion was for the Korean conflict GI Bill; and some $40 billion for the post-Korean Vietnam era GI Bill.

Under the current post-Korean Vietnam era GI Bill, the participation rate is 68 percent. This compares with a participation rate of 50.5 percent for the World War II GI Bill and 43.4 percent for the Korean conflict GI Bill.

Participation in college level training is greater under the post-Korean Vietnam era program than under either the World War II or the Korean conflict program. College participation for World War II veterans was 14.4 percent; for Korean conflict veterans, it was 22 percent; and for post-Korean conflict veterans and service personnel, who served between 1955 and 1976, it was 22.7 percent through September 1986. Vietnam era veterans and service personnel who served between August 5, 1964 and January 1, 1977 have participated in college level training to a greater extent than any other group of veterans. They have a college participation rate of 43 percent.

The GI Bill programs have been widely acclaimed as the best investment America has ever made. During the four decades since the original GI Bill, we have worked with Congress in the oversight of our programs, and have assisted schools in obtaining course approvals and in meeting their enrollment reporting obligations. We have had to be flexible in our administration of educational benefits programs so as to adapt to changes in policy and practice within the educational community; changing veteran needs; and shifting governmental priorities. Through it all, we have learned a great deal about how to efficiently administer veterans' education programs. Moreover, we are proud of our role in implementing laws which have promoted quality education for our Nation's veterans, providing them the opportunity to be the best that they can be.

The post-Korean Vietnam era GI Bill is, of course, scheduled to end on December 31, 1989. Each year, from now until 1990, the projections indicate that fewer and fewer veterans will participate. Congress, in October of 1984, enacted Public Law 98-525, bringing into being the New GI Bill test program. This new law (as amended by Public Law 99-576) provided a program of education benefits not only for servicepersons and veterans, but also for reservists, and set a termination date for VEAP, the DOD-funded, VA-administered peacetime education benefits program which had been in effect since 1976. The effective date for the new programs was July 1, 1985.

The New GI Bill-Reserves was the program with the first significant number of trainees. Through the end of January 1987, close to 46,000 reservists have trained under the New GI Bill-Reserves. Current projections are that the number of trainees will peak in Fiscal Year 1989 to about 140,000. Over time, we expect that the larger program will be the New GI Bill-Active Duty. We expect close to 180,000 trainees in Fiscal Year 1992.

The number of actual trainees is low now, but that is to be expected because few individuals have yet served long enough to become eligible. In Fiscal Year 1987, the number of these trainees will pick up because that is when those with 2-year enlistments become eligible for training. In Fiscal Year 1987, we expect 800 of these trainees.

Mr. Chairman, I previously mentioned, in passing, Public Law 99-576, the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986. This legislation, which was signed into law this past fall, made a number of significant changes to the New GI Bill-Active Duty. It added apprenticeship and on-job training, as well as correspondence training and work-study, just to mention a few. The VA has great experience in administering these programs and will be honored to continue to do so.

As you are aware, Mr. Chairman, the Administration supports making the New GI Bill program permanent. The Administration also proposes to: (a) continue funding the additional "kicker" benefits at their current levels, (b) continue VA administration of the program, (c) maintain the basic benefit level for six-year terms of enlistment, and (d) continue the reserve benefits at their current level pending completion of the Sixth

Quadrennial Review of Military Compensation which is conducting an extensive review of Reserve compensation.

An additional two changes in the current operation of the program are proposed in the President's 1988 Budget: (1) to shift funding responsibility for the basic benefit from VA to DOD, and (2) to restructure the basic benefit to offer progressively lower benefits for shorter terms of service. These two modifications are proposed to ensure that the educational enlistment benefits of the New GI Bill will be productive for the armed services. Because these changes relate to the needs of the armed services, we defer to DOD for a detailed explanation of the rationale.

The Administration strongly urges that the subject legislation which this Subcommittee is considering include all the changes to the New GI Bill which are proposed in the President's Budget.

Mr. Chairman, that concludes my testimony. I would be glad to respond to any questions you or the members of the Subcommittee may have.

Testimony of

HONORABLE CHAPMAN B. COX
ASSISTANT SECRETARY OF DEFENSE
(FORCE MANAGEMENT AND PERSONNEL)

Before the
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
HOUSE COMMITTEE ON VETERANS' AFFRIRS

NEW GI BILL

18 February 1987
Room 334, Cannon House Office Building

Good afternoon Mr. Chairman.

It is a privilege to appear before this committee which has done so much over the years for American Service men and women. The men and women of the Armed Forces are the backbone of our nation's defense structure. They are proud and patriotic citizens and I know they are grateful to this committee for ensuring their fair treatment as they return to civilian life.

Today, you have requested that I comment on the Administration's position with respect to the New GI Bill. This program, administered under your oversight, is a good example of the important role you play in providing for American military personnel in their transition back to civilian life.

For over 40 years, veterans have been eligible for Federal education assistance under a variety of programs. These assistance programs have been authorized for a number of reasons:

1 to provide Service members with a compensating benefit for adversities they endure such as low pay, harsh environments, physical danger and undesirable tasks;

2 to make service in the Armed Forces more attractive;

3 to provide training and readjustment to civilian life for those who have served in the Armed Forces; and

4 to provide an education for those citizens who might not otherwise be able to afford one.

These programs were of considerable value both to the nation and to its Service members. However, both military service and the rationale for educational benefits have changed markedly since the inception of the All-Volunteer Force in 1973. Today, our recruits make a voluntary decision to undertake military service, many of them motivated by the competitive levels of pay and improved quality of life in our Armed Forces. In this environment, we view the New GI Bill not as a readjustment benefit, but rather as one of many recruiting tools, all of which contribute to the maintenance of a high-quality volunteer force.

The Educational Assistance Test Program, which we conducted during 1981, confirmed that educational benefits, if sufficiently generous, can attract high quality people to the Armed Forces. A separate study, conducted by the Congressional Budget Office in March 1982, validated the results of the Education Assistance Test Program and also pointed out that enlistments of high school graduates with above average aptitude test scores increased with generous education benefits.

The study found, however, that educational benefits are much less cost effective than targeted incentives such as enlistment bonuses. Further, the study pointed out that negative retention effects may offset gains made in recruiting.

We believe the New GI Bill has the potential to be an effective recruiting incentive. For this reason, we support making this program permanent. To fit into the overall context of the DoD recruiting program, however, we believe that it should be more of a targeted program. For this reason, we are submitting a legislative proposal that will:

1 restructure the basic benefit to provide a benefit that varies with the term of enlistment;

2 continue targeted incentives (known as "kickers"); and

3 transfer funding of the basic benefit from the VA to DoD.

Placing both policy and fiscal responsibility for the New GI Bill with the Department of Defense will permit a concentrated approach to using of educational benefits which emphasizes their effectiveness as a recruiting incentive.

We will be able to build on the level of variable basic benefit with additional targeted incentives that recognize special recruiting needs of the individual Services. These "kickers" can be varied as necessary and tied to hard-to-fill skills, test scores or other criteria.

This concludes my prepared statement. Thank you again for the opportunity to appear. I will be pleased to respond to your questions.

# STATEMENT OF
# THE PRINCIPAL DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS

MR. DENNIS SHAW

HEARING BEFORE THE SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

HOUSE VETERANS AFFAIRS COMMITTEE

18 FEBRUARY 1987

**NOT FOR PUBLICATION
UNTIL RELEASED BY THE
SUBCOMMITTEE**

Mr. Chairman and members of the committee:

I want to thank you for inviting me to appear and offer testimony on the New GI Bill for the Selected Reserve.

As you are aware, the GI Bill program for the Selected Reserve is a non-contributory, general entitlement program. Reserve officer and enlisted personnel become eligible for GI Bill benefits after initial active duty for training and after completing 180 days of service in the Selected Reserve. Eligibility for GI Bill benefits also requires that reserve component members enlist or agree to serve in the Selected Reserve for six years. Participants have up to 10 years in which to use the full entitlement, provided they remain members of the Selected Reserve. Benefits are paid at the rate of $140 per month for full-time study leading to a baccalaureate degree, with smaller pro-rated amounts for less than full-time study.

In the current recruiting environment, our readiness and manpower objectives for the reserve components present a challenge -- one that can be met only if we have the proper set of force management tools. The new GI Bill is but one of these tools. And, when combined with other targeted incentives and entitlements, the GI Bill will permit us to attract and retain the numbers and quality of people we must have.

In November 1985, we testified before the House Committee on Veterans' Affairs, Subcommittee on Education, Training and Employment, that we did not have a firm basis on which to evaluate the impact of the new GI Bill on recruiting and retention. Our data now indicates there has been some improvement in recruiting since July 1, 1985.

For example, since a reserve recruit must enlist for a 6 year term in order to qualify for benefits under the GI Bill, we can compare the length of terms of service for new accessions. During the first fifteen months of the New GI Bill, 59 percent of Selected Reserve recruits enlisted for at least 6 years. During the same time frame prior to the enactment of the New GI Bill, 57 percent of Selected Reserve recruits enlisted for at least 6 years. In other words, there was an increase of 8,321 six year enlistments during the first fifteen months immediately following enactment of the New GI Bill.

While educational benefits have been shown to have a positive role in recruiting, I also would point out that other actions taken by the Services during this same period contributed to this improvement. The effect of increased recruiting and advertising budgets, for example, cannot be discounted.

We have observed a sharp rise since the program began in the number of members reported by the Services as eligible for benefits. And, nearly one-third of these members today are attending college and using their entitlement.

SELECTED RESERVE GI BILL
SERVICE-REPORTED ENLISTED ELIGIBLES

| Reserve Component | FY85 | FY86 | Total |
|---|---|---|---|
| DOD | 13742 | 118150 | 131892 |
| ARNG | 6683 | 63231 | 69914 |
| USAR | 921 | 15463 | 16384 |
| USNR | 1139 | 10607 | 11746 |
| USMCR | 7 | 4676 | 4683 |
| ANG | 3397 | 15567 | 18964 |
| USAFR | 1595 | 8606 | 10201 |

SELECTED RESERVE GI BILL
ENLISTED ENROLLMENTS

| Reserve Component | FY85 | FY86* | Total |
|---|---|---|---|
| DOD | 11783 | 29146 | 40929 |
| ARNG | 4301 | 13702 | 18003 |
| USAR | 3501 | 5164 | 8665 |
| USNR | 723 | 2720 | 3443 |
| USMCR | 115 | 1269 | 1384 |
| ANG | 1795 | 4771 | 8361 |
| USAFR | 1348 | 1520 | 2868 |

(* as of November 29, 1986)

We continue to monitor closely the administration of the GI Bill program. A close working relationship exists between the DOD and the Veterans Administration in refining the accuracy of our data systems to ensure only eligible members receive this important educational benefit. As of November 1986, more than 40,000 new applications for the GI Bill were processed by the Veterans Administration. Applications to the Veterans Administration have increased from a weekly average of 752 in October 1985 to a weekly average of 974 in October 1986. The largest number of enrollments so far, have occurred in the Army National Guard followed by the Army Reserve. Of the more than 40,000 new applications, more than 29,000 Selected Reserve members, or nearly 69 percent, have applied for full-time benefits -- a relationship that has remained constant since the program began in July 1985. It is interesting to note that most of the reservists applying for the New GI Bill do not have an entitlement under an earlier GI Bill program and are using veterans' educational benefits for the first time.

Cooperation from the Veterans Administration on the exchange of information and development of an accurate data base has been excellent and is important to us in establishing effective program management.

In terms of quality, we have examined high school graduate non-prior service (NPS) accessions during FY 1984 and FY 1986. During FY 1986, 5 percent more Selected Reserve recruits (or 34,500) were high school graduates than in FY 1984. This is a significant improvement in terms of the quality of NPS accessions.

We see great potential in the reserve components for continued participation in the new GI Bill. Nearly 73 percent of Guard and Reserve members recruited during FY 1986 possessed a high school diploma, General Education Development (GED) certificate, or above. More than 81,000 enlisted members have two years of college (8 percent of the total Selected Reserve enlisted strength). The chart below displays the component percentage of those members who have 2-years of college.

ENLISTED EDUCATION LEVEL BY RESERVE COMPONENT
(Those With 2 Years College*)

| Reserve Component | 2 Years College (%) | Enlisted Strength |
|---|---|---|
| DOD | 81082 ( 8.3) | 972197 |
| ARNG | 33232 ( 8.3) | 402628 |
| USAR | 19780 ( 7.8) | 253070 |
| USNR | 14516 (12.5) | 116640 |
| USMCR | 816 ( 2.1) | 38123 |
| ANG | 5964 ( 6.0) | 99231 |
| USAFR | 6774 (10.8) | 62505 |

(* Data from DOD 1147/1148 Report, FY 1986 Summary)

Our analysis shows reserve component enlistment and reenlistment incentive recipients tend to honor their contracts and serve longer with the component. While it is still too early to tell, we believe this behavior also will hold true for GI Bill recipients as well. Therefore, in order to track participation and further evaluate the effectiveness of the new GI Bill entitlement, we have asked the Sixth Quadrennial Review on Military Compensation (QRMC) to examine both the short and long-term effects. Their report is due later on this year.

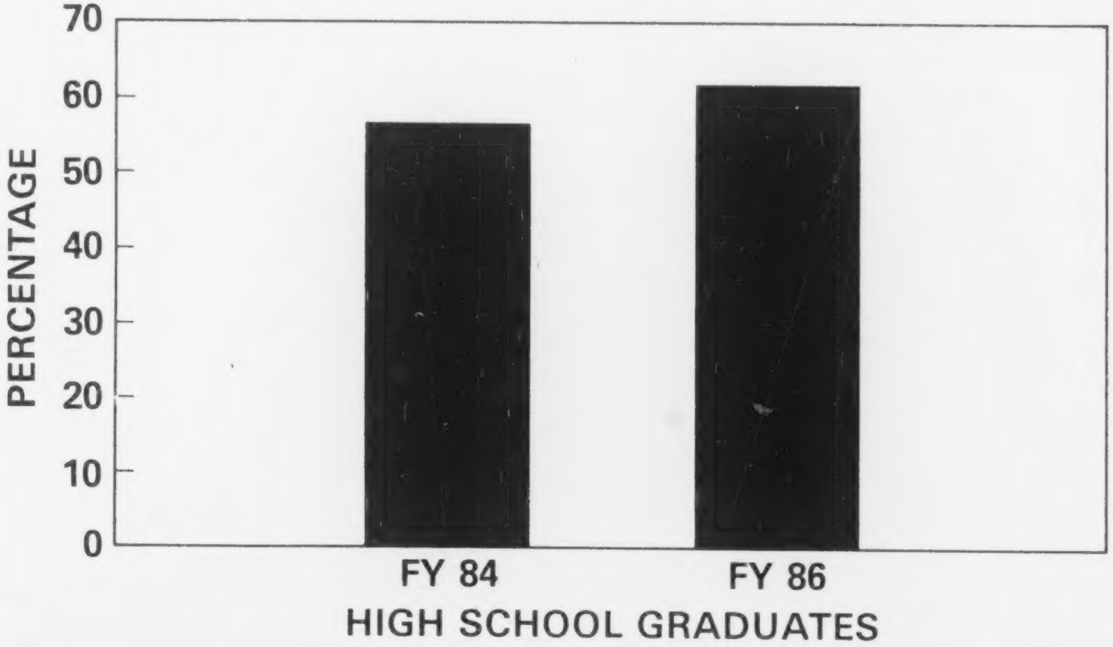
In conclusion Mr. Chairman, no single incentive or entitlement is likely to meet all Selected Reserve manpower needs. The Department will continue to require a broad range of incentives -- those that can be targeted toward critical skill areas and shortages as well as general educational incentives such as the GI Bill.

Mr. Chairman, this completes my testimony. I thank you once again for the opportunity you have given me to appear before the Committee. I am prepared to answer any questions you may have.

| Enlistment | | | Current New GI Bill | DoD Proposed Legislation | Ratio Gov't:Member |
|---|---|---|---|---|---|
| Two yrs | A. | Individ contribution | $1,200 | $1,200 | 1:1 |
| | B. | Govt basic benefit | 7,800 | 1,200 | |
| | C. | Govt kicker | 8,000 | Variable* | |
| | D. | Totals | 17,000 | 2,400 plus variable kicker | |
| Three yrs | A. | Individ contribution | $1,200 | $1,200 | 3:1 |
| | B. | Govt basic benefit | 9,600 | 3,600 | |
| | C. | Govt kicker | 12,000 | Variable* | |
| | D. | Totals | 22,800 | 4,800 plus variable kicker | |
| Four yrs | A. | Individ contribution | $1,200 | $1,200 | 5:1 |
| | B. | Govt basic benefit | 9,600 | 6,000 | |
| | C. | Govt kicker | 14,400 | Variable* | |
| | D. | Totals | 25,200 | 7,200 plus variable kicker | |
| Five yrs | A. | Individ contribution | $1,200 | $1,200 | 6½:1 |
| | B. | Govt basic benefit | 9,600 | 7,800 | |
| | C. | Govt kicker | 14,400 | Variable* | |
| | D. | Totals | 25,200 | 9,000 plus variable kicker | |
| Six yrs | A. | Individ contribution | $1,200 | $1,200 | 8:1 |
| | B. | Govt basic benefit | 9,600 | 9,600 | |
| | C. | Govt kicker | 14,400 | Variable* | |
| | D. | Totals | 25,200 | 10,800 plus variable kicker | |

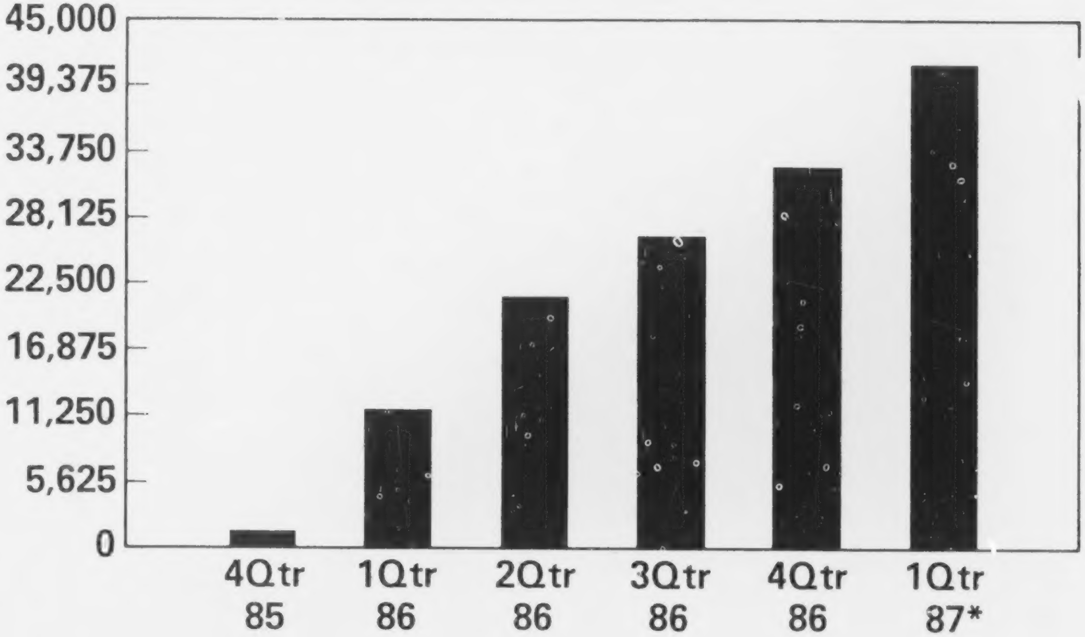
**DoD SELECTED RESERVE, NPS ENLISTED ACCESSIONS**

**(FY 84 COMPARED AGAINST FY 86)**



*Percentage of NPS accessions who are high school graduates.

## DoD
## SELECTED RESERVE ENROLLMENTS
## THE NEW GI BILL



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## SELECTED RESERVE GI BILL ENROLLMENTS*

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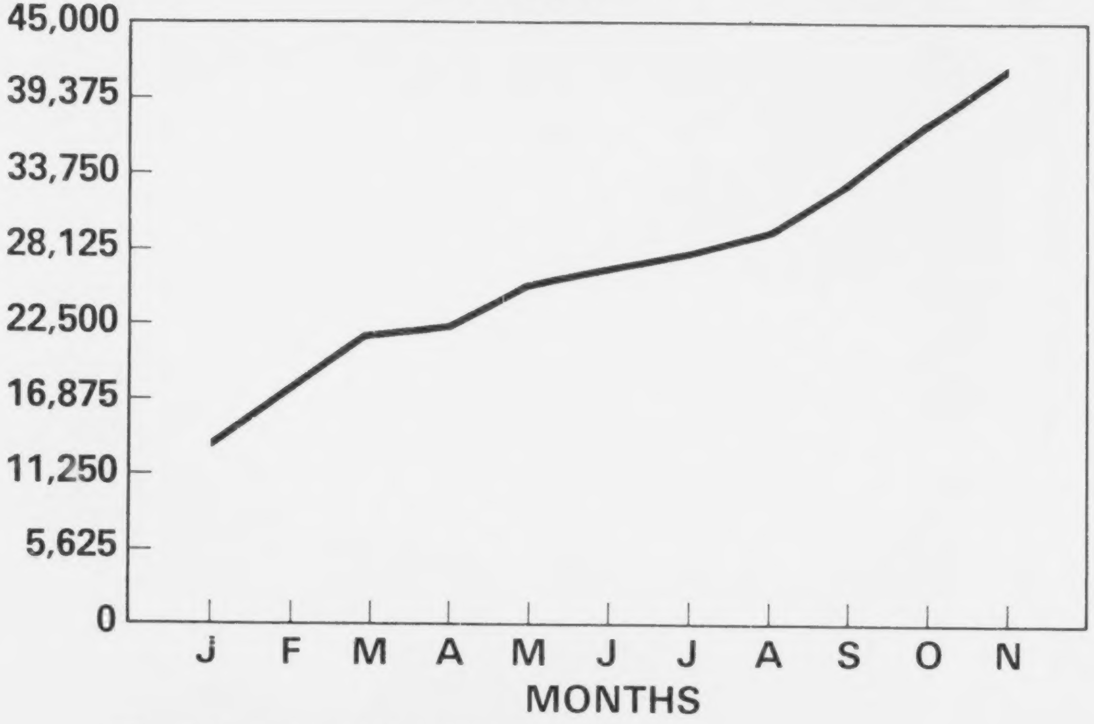
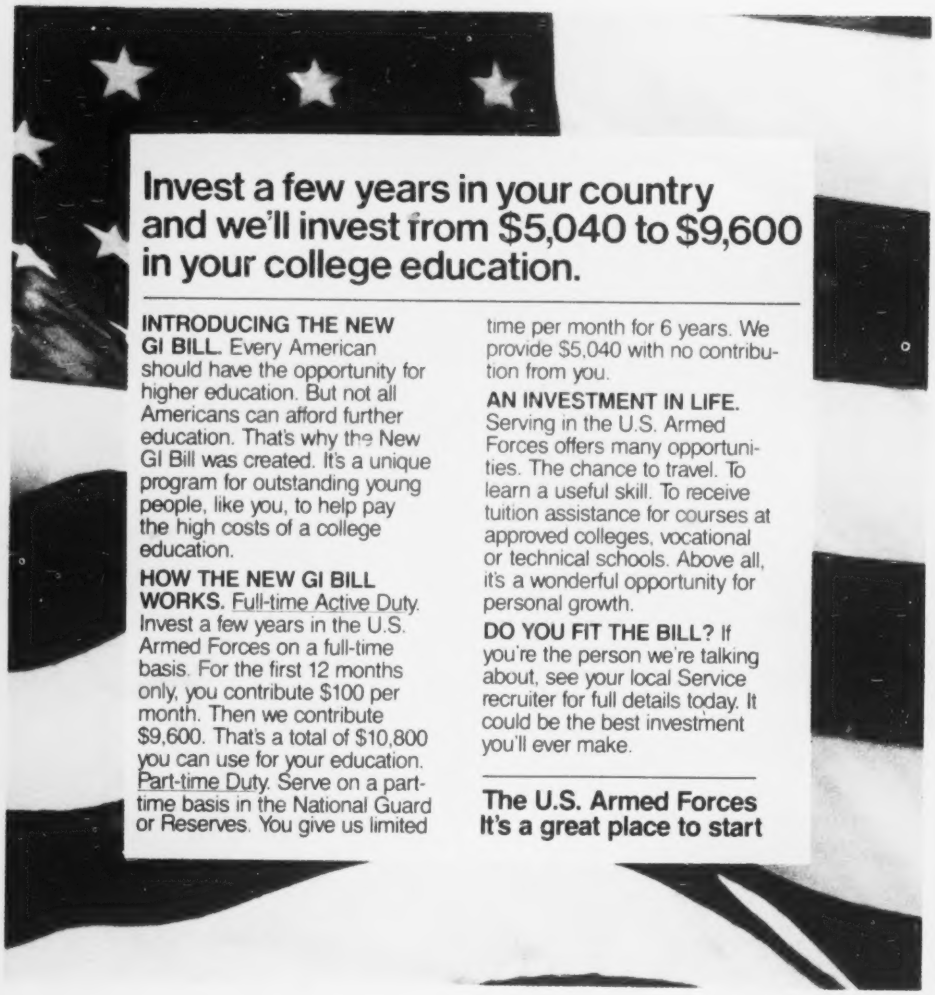


*Total figures include Coast Guard Reserve



# Invest a few years in your country and we'll invest from $5,040 to $9,600 in your college education.

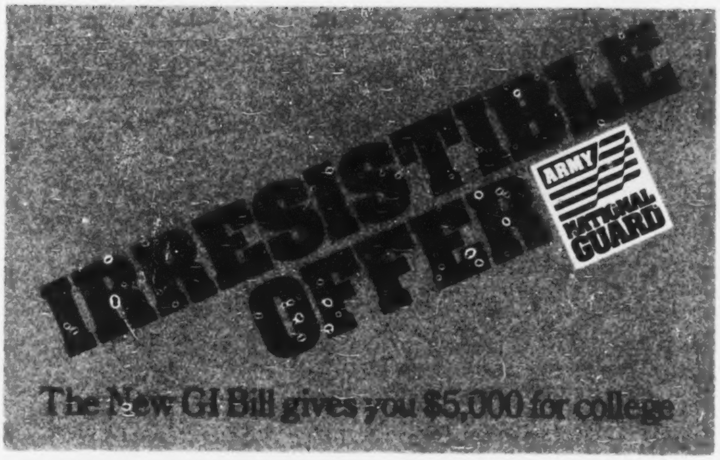
**INTRODUCING THE NEW GI BILL.** Every American should have the opportunity for higher education. But not all Americans can afford further education. That's why the New GI Bill was created. It's a unique program for outstanding young people, like you, to help pay the high costs of a college education.

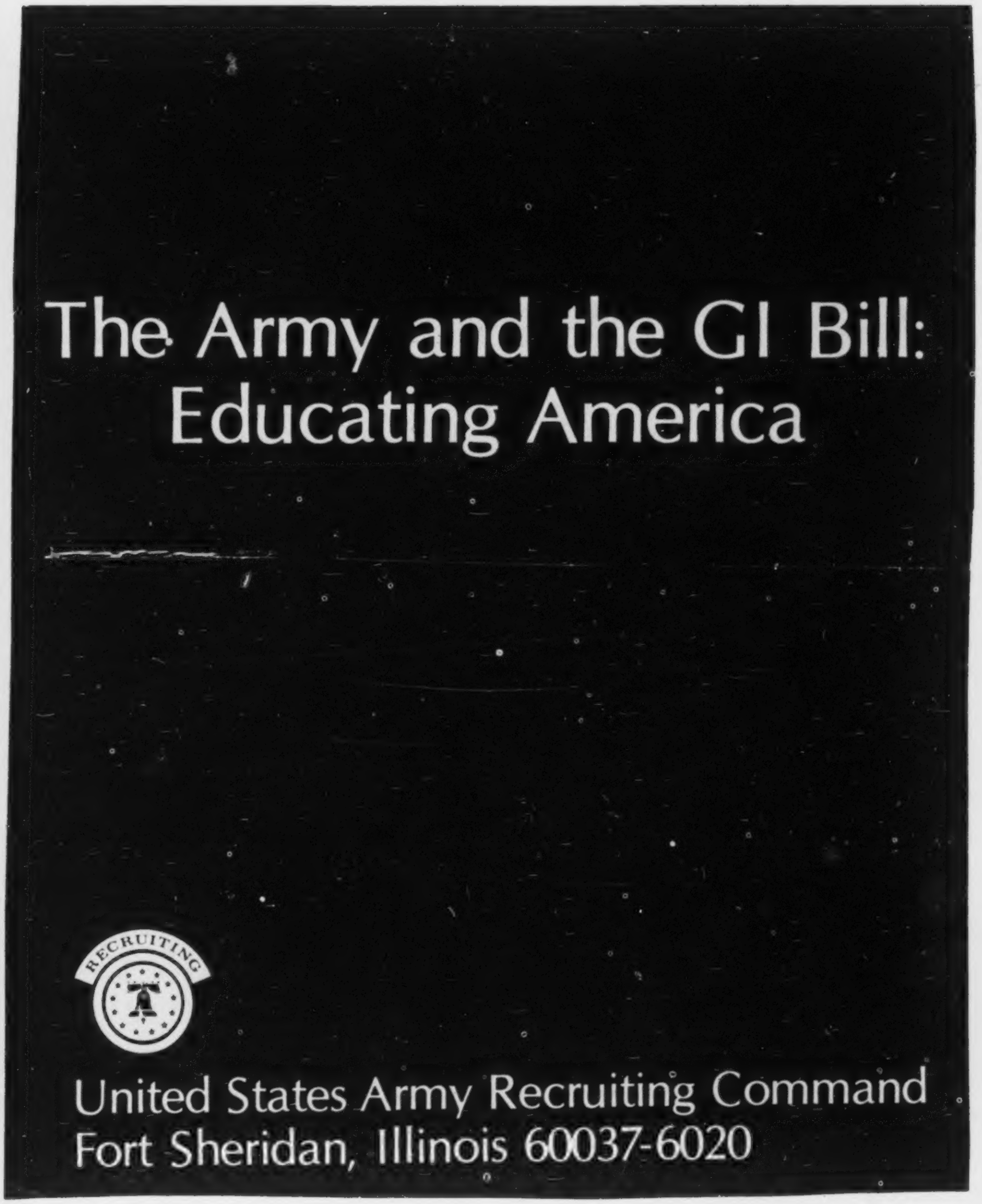
**HOW THE NEW GI BILL WORKS.** Full-time Active Duty. Invest a few years in the U.S. Armed Forces on a full-time basis. For the first 12 months only, you contribute $100 per month. Then we contribute $9,600. That's a total of $10,800 you can use for your education. Part-time Duty. Serve on a part-time basis in the National Guard or Reserves. You give us limited time per month for 6 years. We provide $5,040 with no contribution from you.

**AN INVESTMENT IN LIFE.** Serving in the U.S. Armed Forces offers many opportunities. The chance to travel. To learn a useful skill. To receive tuition assistance for courses at approved colleges, vocational or technical schools. Above all, it's a wonderful opportunity for personal growth.

**DO YOU FIT THE BILL?** If you're the person we're talking about, see your local Service recruiter for full details today. It could be the best investment you'll ever make.

**The U.S. Armed Forces**
**It's a great place to start**


IRRESISTIBLE OFFER
ARMY
NATIONAL GUARD
The New GI Bill gives you $5,000 for college



# The Army and the GI Bill: Educating America

United States Army Recruiting Command
Fort Sheridan, Illinois 60037-6020

The GI Bill, introduced on July 1, 1985, continues a tradition of educational assistance to our nation's veterans which began after World War II. The first GI Bill of Rights, signed by President Roosevelt on June 22, 1944, gave veterans opportunities their fathers could only dream about. Educational assistance has evolved through four versions to today's GI Bill, but the theme has been constant. American men and women serving their country and earning a better future.

Today's GI Bill participant contributes $100 per month during his or her first year of Army service. The Veterans Administration contributes a lot more, providing the participant a combined total of up to $10,800 for college. This is paid after the soldier leaves the Army and enrolls in school.

The Army offers even greater benefits to high school graduates who score in the 50th percentile or higher on the aptitude test. Through the Army College Fund, young people who enlist for certain critical skills can earn up to $25,200 for college. That's $700 per month for 36 academic months — four years of college.

Young Americans who earn the GI Bill and the Army College Fund are not the only ones who benefit. America benefits as well. More than 18 million Army veterans have attended college using veterans' benefits. Many would have never realized their educational potential without the GI Bill's assistance.

This publication looks at some of the people who got their start in the Army and used their educational benefits to train themselves for a successful career.

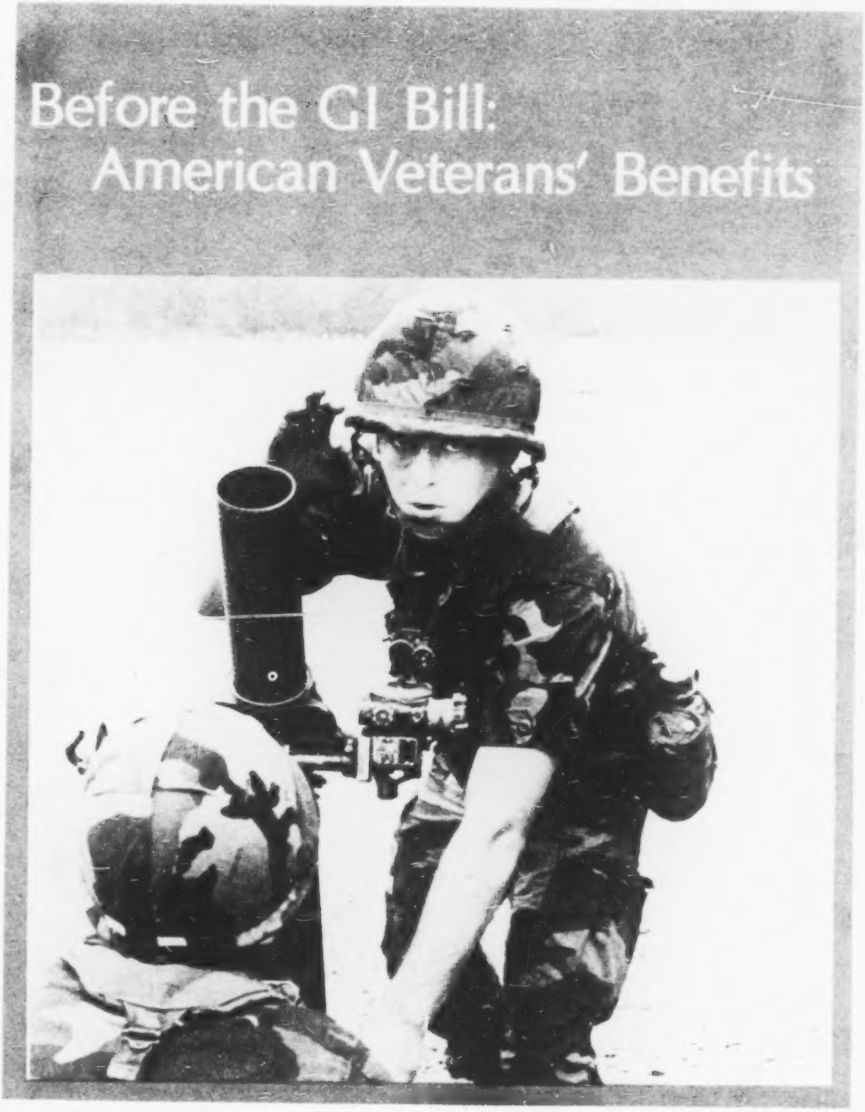
The Army is proud of its veterans' success stories. We feel we've had at least a small hand in them. Now a new generation of Americans can write their own success stories. They will start by providing the Army's strength. They will become America's strength.

*This booklet was produced by the U.S. Army Recruiting Command. The success stories were provided with the consent of each of the individuals profiled. Permission to reprint should be obtained by writing:*

*Commander*
*U.S. Army Recruiting Command*
*ATTN: Public Affairs Office*
*Building 103*
*Fort Sheridan, IL 60037-6020*

*Or, call:*
*Commercial: (312) 926-3918*
*AUTOVON: 459-3918*

*For more information about the GI Bill, the Army College Fund and all of the Army's benefits, call your local Army recruiter, whose phone number is listed in the Yellow Pages (under "Recruiting".)*



# Before the GI Bill: American Veterans' Benefits

Veterans' benefits in America are nothing new. In fact, the tradition predates the creation of the nation itself.

In 1636, the Pilgrims declared, "If any person shalbee sent forth as a soldier and shall return maimed hee shalbee mayntained competently by the Collonie during his life." This small beginning led to the development of the most comprehensive system of assistance and care for veterans of any nation.

Veterans' benefits not only dealt with the aftermath of wars, but also became important recruiting tools for maintaining a ready defense. When its western frontier was threatened in 1755 by hostile Indians, the Virginia House of Burgesses enacted a law providing enlistees with immunity from civil offenses.

A year later, the same assembly paid five pounds to new soldiers. Enlistment bounties were a common practice among a people who distrusted a standing army. Colonists routinely returned home as soon as their enlistments expired, regardless of whether the conflict was resolved.

At a critical point early in the Revolutionary War, whole companies from Connecticut abruptly left the Army at the end of their year of service. Others from New Jersey and Pennsylvania soon followed. Faced with a rapidly disappearing army, the Continental Congress decreed the first American package of veterans' benefits.

Commissioned officers who stayed the duration of the war received half pay for seven years. Enlisted men received $80. Disabled veterans and the dependents of those killed in battle received life-long pensions. Some of these dependents proved to be very hardy patriots, indeed, as the U.S. government continued to pay Revolutionary War pensions until 1911.

Veterans' benefits continued — and grew — thoughout the 19th century. The Congress never failed to offer benefits to veterans of the War of 1812, the Mexican War, the Civil War, the Indian Wars and the Spanish-American War. Among the most common benefits of that century was a "mustering out" pay. These bonuses provided citizen soldiers a modest means to resume their civilian lives.

Some benefits were offered as solutions to dual problems. To encourage settlement of vast sections of the frontier, Congress passed several land grant acts. By 1850, any veteran who had served 14 days or more during wartime was entitled to 160 acres of land. More than 47 million acres of land were granted to veterans through these acts.

The modern era of veterans' benefits began with the entry of America into World War I. The Rehabilitation Act of 1919 provided educational assistance and an allowance of up to $145 a month for disabled veterans. While limited in scope, this act established the precedent of a period of government-subsidized training for veterans.

The state of Wisconsin established the first unlimited educational fund in 1918. Each state resident who served at least 90 days in the Great War qualified for four academic years at a $30 monthly stipend. Any veteran could resume his schooling from the elementary through graduate levels.

But the most significant change in veterans' benefits was to come as the result of World War II. The first GI Bill of Rights gave "emphatic notice to the men and women of our Armed Forces that the American people do not intend to let them down," said President Franklin D. Roosevelt as he signed the legislation.

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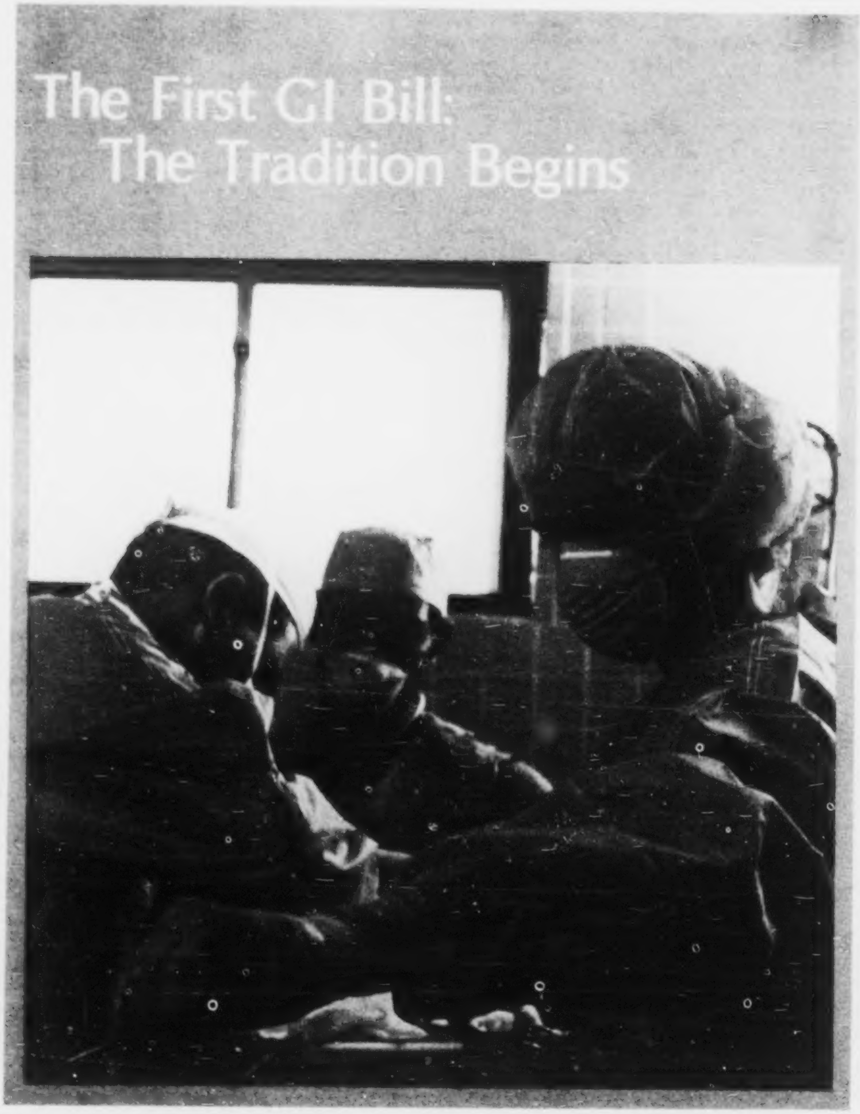
# The First GI Bill: The Tradition Begins



The first GI Bill of Rights turned out to be one of the most important bills in the history of the United States. At the time of its signing, there was little realization of the great changes it would have on life in America. The program changed the entire concept of adult education in this nation, and started the greatest home construction boom in history.

Many Americans worried about the effect a large body of returning veterans would have on the still-recovering economy. Following World War I, veterans in nearly every European nation clamored for bonuses or other benefits. Their discontent had helped to foster the rise of fascism which led to the Second World War. In the United States, veterans of the First World War lobbied for several years before Congress finally granted them a bonus.

In 1943, President Roosevelt formed a government council to study and anticipate post-war problems. That council estimated that, in the first year after the war, between eight and nine million men would be unemployed. The council concluded that some means to dispel the likelihood of a return to a Depression must be devised *before* the war ended. Such a program should provide more than a one-time bonus so that its effect on the economy would be longer lasting. It was agreed that one of the most important aims of such a program was to find a way to gradually re-integrate veterans into the work force.

Several congressional acts, as well as legislation by individual states, became the basis for the first GI Bill. The Selective Training and Service Act of 1940 provided that U.S. servicemen were entitled to reinstatement in their former jobs or in similar positions. The Veterans Act of 1944 gave veterans special advantages in the federal civil service.

Many states also enacted laws providing for veterans' preference for civil service jobs, special educational benefits, and loans for purchasing homes, farms, or small businesses. The Veterans Emergency Housing Act of 1946 speeded the construction of homes, provided temporary housing for veterans, and gave them preference in buying or renting new homes.

Most returning servicemen were young and had not completed their education or become established in permanent jobs or homes. The Servicemen's Readjustment Act of 1944 — better known as the GI Bill — provided these young veterans unemployment benefits, paid educational expenses, and offered low-interest home, farm and small business loans.

Demobilization aid to disabled servicemen reached high levels after World War II as the U.S. expanded its facilities for hospitalization and rehabilitation. Great progress was made in medical and surgical treatment, in re-education, and in vocational guidance and placement services. Veterans' preference and the reservation of certain civil service positions for the disabled were practically universal, while training allowances and disability allowances were more liberal than ever before.

During the 42 years since the first GI Bill was signed, the American people have invested over $55 billion in educating 18.2 million World War II, Korean Conflict, post-Korean and Vietnam War veterans. They also have made possible more than $225 billion in home loans for more than 11 million veterans. More than half of these Veterans Administration guaranteed home loans have already been repaid in full. Remarkably, fewer than four out of 100 veteran homeowners have defaulted on their guaranteed loans in this 42-year period.

# 1944-1955 Success Stories

*Arthur N. Brown (right), director of employee development for General Mills in Minneapolis, used the GI Bill to earn both his bachelor's and master's degrees.*

*"The GI Bill enabled me to have the essential cost of education taken care of, which would otherwise not have been possible," says Brown. "Thus, I had to make only the time commitment to my education, not the financial commitment. The advanced degree opportunity was particulary beneficial in getting a working career underway."*

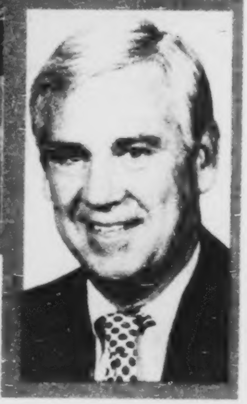
*"The GI Bill is a good investment by the government since it allows most veterans to earn incomes that ultimately contribute to the livelihood of our economy," says Robert S. McPherson (right).*

*McPherson, manager of financial compliance for the Coca-Cola Company in Atlanta, used his GI Bill to earn a dual bachelor's degree in accounting and education from the University of Georgia.*

*Stuart M. Frey (right), used the GI Bill to earn a bachelor of science degree in mechanical engineering from the University of Michigan.*

*"A college education was of major importance to me and was made available through the GI Bill," says Frey who is vice president of car product development for Ford's North American automotive operations.*

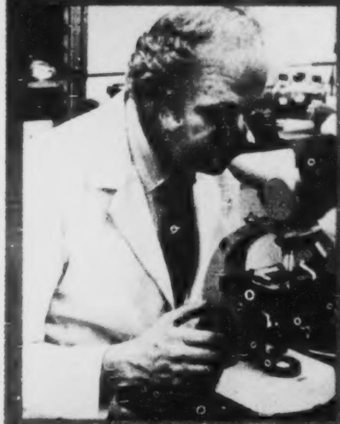
*"Not only did the 'Bill' allow me financial aid, it allowed the comfort of security and the assurance that I had the Army behind me in any difficulty which may have been encountered."*



*"Having the GI Bill available to me was absolutely the key to being able to attend Duke University, as I would otherwise not have had the finances to go to college," says Gene Corrigan (right), Notre Dame's director of athletics. "While at Duke, I was able to participate in intercollegiate athletics, a field which has become a life's work."*

*"My Army service was an educational and exhilarating experience that gave me perspective and maturity at a relatively early age," says Harry J. Gray (left), chairman and chief executive officer of United Technologies Corporation in Hartford, Conn.*

*Gray used the GI Bill to earn both his bachelor's and master's degrees from the University of Illinois. "There's no question that the GI Bill was a tremendous asset in helping me accomplish my goal of attaining both my undergraduate and graduate degrees."*



*Albert E. Munson (left), professor of pharmacology and toxicology at Virginia Commonwealth University in Richmond, Va., completed his bachelor and master of science degrees using the GI Bill. "I could not have attended college if funds were not available through the GI Bill," says Munson.*

*Roger G. Lambert (left), professor of biology at the University of Louisville, used the GI Bill to earn a bachelor of science degree in plant pathology at the University of Minnesota.*

*"There is no way I would have been able to pursue a degree without the help of the GI Bill. It made all the difference financially."*

*From corporal to vice president and general manager, Philip B. Auerbach (left) of Sperry Corporations Tactical Systems Division, used the GI Bill to earn both his bachelor's and master's degrees.*

*"At separation from the Army, with a wife and son, I elected to seek employment and enroll in the evening sessions. The GI Bill paid for all fees, books and supplies, making things much easier on my budget," says Auerbach.*

# Post-Korean War GI Bill: A Popular Program Revived

One of the factors that aided the original GI Bill's passage was the universal belief that the program was a one-time-only deal. The benefits were intended to terminate as soon as the need for them ceased. Surely post-Depression era legislators would have provided greater opposition if they had felt they were creating a long-term assistance program.

But once enacted, the "Bill" firmly established the precedent of a period of readjustment sponsored by the government for all war veterans. The name itself implied that the benefits were due to the veterans as a right of wartime service.

It was this assumption that led to the passage of the Post-Korean Conflict Veteran's Readjustment Act of 1952. No fear of a new depression or widespread veterans' discontent motivated this bill's authors. It was recognized that military service would prevent many high school graduates from attending college. Most felt this sacrifice to both the individual and the country required some compensation. But the first GI Bill was believed to be too large a program — and too generous. The bill resulting from this thinking, then, mainly concentrated on education benefits, as have the bills that followed it.

Korean Conflict veterans were entitled to GI Bill education and training for a period equal to one-and-a-half times their active service, up to a maximum of 36 months of training. This program ended on January 31, 1965.

The total cost of the Korean Conflict GI Bill was $4.5 billion. In return for their investment, Americans educated 2.4 million veterans or about 43 percent of the 5.5 million who were eligible. One and two-tenths million enrolled in institutions of higher learning, 860,000 in vocational/technical schools, 223,000 received on-the-job training, and 95,000 took institutional on-farm training.

# 1955-1964 Success Stories

*Michael J. Semrau (right), director of corporate human resources operations for the Coca-Cola Company in Atlanta, earned his bachelor's degree from Western Michigan University and his master's degree in psychology from Wayne State University. "The GI Bill education benefits provided me the opportunity to achieve the level of education I acquired and that education has substantially contributed to where I am today."*

*"The Army taught me that setting goals and working consistently toward reaching them are the keys to success."*

*So says Janet Chordegian (right), accounting section head for Coca-Cola Company.*

*Chordegian used her GI Bill benefits to obtain her bachelor's degree in accounting and says, "It would have been very difficult for me to pay for my education without the GI Bill — it was a tremendous assistance."*

*"The GI Bill education benefits had just been reinstated and it was at a time when I needed financial assistance most to complete my education," says Gerald E. Yandel Sr. (right), market analyst for the Coca-Cola Company in Atlanta.*

*"With a family of six to support and wanting very much to finish my degree it would have been tremendously difficult without the GI Bill benefits."*

*Yandel earned his bachelor's degree in business administration from Loyola University in Chicago. "The excellent education I received has been put to good use and greatly attributes to my success."*

*"The Army educational benefits were very instrumental in enabling me to return to school for a master's degree" says Alan E. Cummins (left), director of the materials management division for Eastman Kodak Company.*

*Cummins used his GI Bill to earn a master of science degree in applied statistics from the Rochester Institute of Technology.*

*Walter J. Dutton (left), director of special projects for Hughes Helicopters, Inc., used his GI Bill to earn his bachelor of science degree in mechanical engineering from Purdue University.*

*"My Army training and the exposure I had to first-rate military hardware, have helped me directly. But the greatest benefit is a first class engineering education."*

*"With my veterans benefits, I was able to obtain a start in the great career of aviation," says L.L. "Les" Berkheiser (left), chief inspector of aircraft maintenance for Shell Oil Company.*

*Berkheiser got a head start on his aviation career while serving as a helicopter maintenance specialist in the Army. After leaving the Army, he earned his degree from Parks College of Aeronautical Technology of St. Louis University.*

# The Sixties: A New Generation of Benefits

Again, a changed economic climate brought about a changed GI Bill for Vietnam veterans. Overall, the benefits provided by this bill were reduced in number and scale from those of its predecessors because of a number of factors. The economy was stronger and other forms of government loans and scholarships were now available. Also, when the bill was passed in 1966, the Vietnam War had yet to reach its height. It was believed that only a small number of veterans would be the eventual recipients of its benefits.

In this climate, the 89th Congress passed the "Veterans Readjustment Benefits Act of 1966." The education and training program under this GI Bill went into effect on June 1, 1966.

Originally, this GI Bill provided one month of education and training for each month of service, up to 36 months. But in December 1968, the bill was changed to provided one-and-a-half months of entitlement for each month of service. Eighteen continuous months of continuous service after January 3, 1955 qualified a veteran for the full 36 months, if he or she had satisfied his or her military obligation. In October 1976, the maximum entitlement was extended to 45 months.

A veteran with no dependents, in full-time institutional training, received $100 a month from the Veterans Administration under the bill as it first passed. By January 1981 this had been increased to $342 monthly.

This bill also provided home and farm loans, job counseling, an employment placement service, and other benefits.

The Army's history of veterans benefits shows they have been well used by the soldiers they were intended to help. By the end of the fiscal year 1983, nearly 6.6 million out of the 9.1 million eligible Vietnam era veterans received training under this GI Bill.

A record-setting total of nearly 4.9 million Vietnam vets trained in institutions of higher learning, 2.5 million in vocational/technical schools, 591,000 on the job, and 56,000 in institutions' on-farm training.

The popularity of veterans' benefits and the GI Bill continued to increase over the years. As of 1984, the VA had spent about $37 billion to provide educational assistance to 8 million participants in the Vietnam GI Bill education and training programs.

# 1964-1975 Success Stories

"The wide range and variety of experience and training I received in the Army, I am confident, endowed me with a near-perfect overall background for 'people' programs," says equal employment manager Valjean L. Hubbert (right).

Hubbert, who works at Letterkenny Army Depot in Chambersburg, Pa., earned her associate's degree in behavioral science and minority studies with the help of the GI Bill.

"I believe the benefits of the GI Bill were most instrumental in my success to this point and will continue to benefit me in my career."

Dr. Jack L. Arnold, senior systems analyst for the Coca-Cola Company in Atlanta, Ga., remembers his military service as an "exciting adventure, a great experience."

Arnold served as a combat medic during the Vietnam era. "My military experience is primarily responsible for helping me to develop discipline, order and patience. These are basic elements for success in today's world."

Arnold completed his undergraduate studies while serving in the Army. The GI Bill gave him the opportunity to earn his master's in business administration; he followed this with a law degree.

"Without the financial support, I would not have accomplished my educational pursuits. I'm thankful this benefit was available to me," says Arnold.

"I won't tell you I enjoyed every minute I spent in the Army, but I sure met and served with a lot of wonderful people and that's what service life is all about anyway. It's not the individual that's all important — it's the team effort that counts," says James L. Schwarzkopf (right), process engineer for Dana Corporation in Toledo, Ohio.

After serving four years as a heavy truck operator, Schwarzkopf used his GI Bill to receive an associate's degree in business from Davis Junior College of Business.

"Without the opportunity to earn my degree through the use of the GI Bill, my marketable skills would not have been any greater than those of the thousands of other returning GIs in the job market. With this additional education, I was able to promote myself to management who in turn realized my newly acquired skills could be useful to them."

*Following his tour of duty in Vietnam two decades ago, Dr. David Stewart (left), director of student programs and services of Pennsylvania State University, used his GI Bill education benefits to earn three college degrees.*

*With the help of the GI Bill, Stewart earned his bachelor's degree in psychology at the State University of New York in Buffalo; a master's in higher education administration and later a doctorate in counselor education from Pennsylvania State.*

*"I found the Army to be one of the few places where I could receive equal opportunity as a female. Serving my country, especially during the Vietnam war period, gave me a sense of pride," says Deborah A. Skelton (left).*

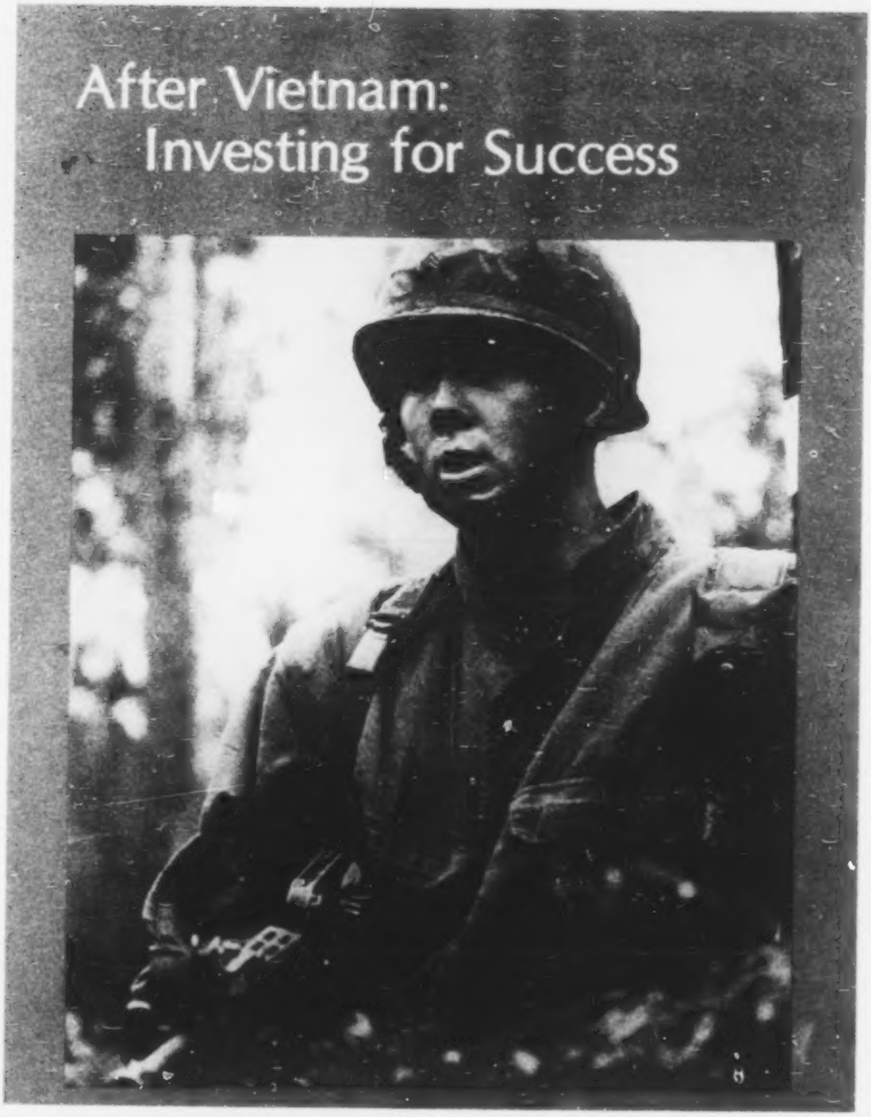
*Skelton, education specialist at the education center at Fort Sam Houston, Texas, used her GI Bill benefits to earn an associate's degree in business technology and a bachelor's degree in occupational education from Southwest Texas State University.*

*"I know that I would not have completed college without the GI Bill. I encourage all young men and women to enter the Army as a means of attaining maturity and education."*

*"It taught me to appreciate the freedom and opportunities we have as Americans and not to take them for granted," says Larry M. Britt (left), about his Army experiences. "It had quite a maturing effect upon me."*

*Serving in Vietnam as an accounting specialist, Britt, now accounting section head for Coca-Cola's analysis section, furthered his accounting education by obtaining his bachelor's degree in that field from Georgia State University.*

*Veterans' education benefits helped finance that degree, says Britt. "It allowed me to go to college on a full-time basis to complete my degree work at a much faster pace with higher grades than what I was experiencing prior to entering the Army."*



# After Vietnam: Investing for Success

The years following the end of the Vietnam War brought about perhaps the most significant change in American veterans' benefits since the end of World War II.

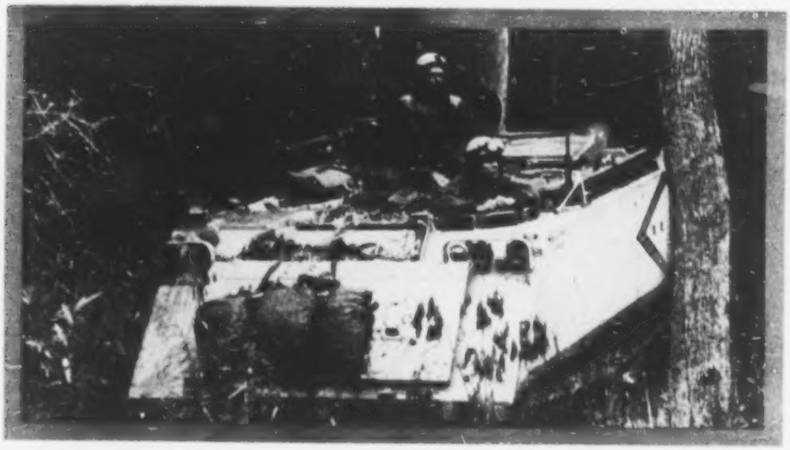
President Richard M. Nixon declared the end of the draft and the beginning of the "All Volunteer" armed forces. While Americans welcomed the first action, they were less enthusiastic about supporting the latter. Opposition to the war and the general low esteem for the military lingered after the war.

What is more, potential enlistees, as well as the American public as a whole, had come to expect a "GI Bill" of some sort. The absence of such benefits, as well as disdain for the military, caused many potential recruits to choose college or other career paths. As they did, the quality of the armed forces declined. The armed forces became the employer of last resort. Recognizing the serious national defense implications of such a trend, Congress acted to reverse it.

Those who entered the armed forces from January 1, 1977 until June 30, 1985 were eligible for the "Post-Vietnam Era Veterans' Education Assistance Program." This program, known as the VEAP, differed from its predecessors in that it was not a benefit automatically available to all who served in the military. In order to collect the benefits, the VEAP required the soldier to make monthly contributions from his or her military pay in order to participate.

In addition to the VEAP, a new incentive program was established to encourage enlistments for certain occupational specialties. Soldiers who enlisted for this "Army College Fund" received additional government contributions above those already provided by the VEAP.

The program was a success! The fortunes of recruiting were turned around. Bright young Americans once again considered military service a positive means to build for their futures.



# 1975-1985 Success Stories

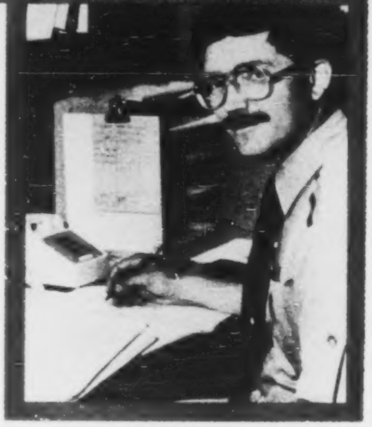
*"My service record greatly enhanced my potential for getting into law school," says Linda M. Terrell (right) of Somerville, Mass. "The responsibility the Army gives you, teaches self-discipline and to manage your time effectively, both of which are crucial to first-year law students."*

*Terrell, now a third year student at Harvard Law school, served four years as a military intelligence officer. "My military career helped prepare me for law school. Through my training, I was able to approach my studies with a mature attitude and less anxiety than the younger students."*

*Martin Martinez (right), manager of compensation and benefits of Merck and Company, Inc., recalls his Army experiences as "challenging, stimulating and extremely rewarding."*

*Martinez profited from several Army education benefits. He received his undergraduate degree through a ROTC scholarship and, most recently, completed a law degree by using the GI Bill.*

*"This education has opened doors that otherwise would have remained closed. Furthermore, this education, coupled with the exposure received in managing line organizations while on active duty, has given me the tools needed to be successful in any walk of life," says Martinez.*



*"Without the GI Bill, I would not have been able to complete my education," says Rodney W. Holland (right), quality engineer for Honeywell, Inc., New Brighton, Minn.*

*Holland served as a military policeman and, since leaving the Army in 1979, has obtained a bachelor's degree in engineering from the University of Minnesota.*

*"There was no way I could have worked and carried the number of courses I did," says Holland. "The GI Bill was a blessing."*

*"An immigrant," says Young H. Noh (left). "I obtained knowledge of the American culture, the English language and basic leadership skills."*

*Noh, served in the Army as a personnel actions specialist. Army educational benefits "allowed me to obtain a master of science degree in program management and a master of business administration in financial management.*

*"These degrees provided me with the knowledge required to pursue my career objectives, which led to a challenging position in operations systems with Hughes Helicopters."*

*"The Army's discipline enabled me to not only complete my education but has helped me tremendously in my professional career," says Xavier Candia (left), corporate forecasting manager for Colma Company in Milpitas, Calif.*

*Candia, who served as an Arabic translator in the Army, earned his bachelor of science degree because of the GI Bill. He later earned a master of science degree in system management.*

*"The experience I had in the Army taught me the importance of teamwork, planning and self-sacrifice for the good of the whole," says Reed T. Hauser (left), procurement engineer for Honeywell Inc. in New Brighton, Minn.*

*The Army also helped Hauser earn two college degrees. His bachelor of arts degree in chemistry from the University of Dayton was earned under a ROTC scholarship; while his M.B.A. from Florida Institute of Technology was funded by the GI Bill.*

# Today's GI Bill: Writing Tomorrow's Success Stories

July 1, 1985 marked the beginning of a new era of veterans' benefits in America. As it replaced the old Veterans Education Assistance Program, the "New" GI Bill brought with it a return to some of the widespread entitlements of the past.

The current GI Bill is open to all enlistees (some of the previous programs had been limited to veterans who served in select military occupations). It is not, however, open to individuals who received their officer's commission by attending a service academy or by participating in the Reserve Officers' Training Corps after December 31, 1976.

Soldiers entering active duty after July 1, 1985, are automatically enrolled in the GI Bill unless they choose to not participate. Those enrolled have their basic pay reduced by $100 a month for their first 12 months of service. Upon completion of three years of continuous active duty, soldiers are eligible for a maximum of $10,800 of basic benefits for full-time schooling.

In addition to the new GI Bill, the Army offers a new Army College Fund, which provides an even greater incentive for top high school graduates to choose Army.

Through the Army College Fund, the Army can increase the rate of benefits up to an additional $400 a month for soldiers enlisting for critical occupational specialities that are difficult to fill or retain. Radar operator and combat engineer are two such specialties.

The Army College Fund, as its name would imply, is unique to the Army. The educational benefits are added to the GI Bill benefits which are offered by all the armed services.

Based on a four-year term, an Army enlistee can leave the service with $25,200 for college. This consists of a $1,200 personal contribution, a $9,600 government contribution, and a $14,400 Army College Fund benefit.

Money is paid out to veterans on a monthly basis for 36 academic months. The rate depends on whether a veteran is a full or part-time student. A veteran eligible for the Army College Fund attending college or vocational school full-time, who served a four-year enlistment, receives $700 per month. A full-time student with a three-year enlistment receives $633.33 each month, while a full-time student with a two-year enlistment receives $472.22 a month.

As a recruiting tool, the new GI Bill plus the Army College Fund should have more appeal than any veterans' benefits program ever offered. On every level, dollar for dollar, there is more money available. Enlistees contribute a smaller portion of their salaries than in the past, and there are larger government contributions.

One possible arrangement makes this Army college aid program particularly attractive. The Army offers a two-year enlistment. In two years, a young soldier can learn a valuable skill, earn a good salary, and develop self-confidence. Often those two years are just the right amount of time for a young person to define career goals and make plans for the future.

With the new college aid program, total benefits to the veteran are greater than ever before. Individual contributions have decreased more than 50 percent. The combination of more government money and smaller personal contributions is a combination that has made the program highly successful.

# The Army's Own Success Stories

*Lt. Col. Russell W. Jenna (right) chief of Tripler Army Medical Center's Radiology Department in Honolulu, graduated from West Point in 1966.*

*A year's leave of absence from active duty allowed him to complete his pre-med courses at the University of Iowa and then medical school at the University of South Florida. Both schools were financed by the GI Bill.*

*Lt. Col. Thurman S. Doman Jr. (right), deputy division chaplain for the 7th Infantry Division at Ford Ord, Calif., started his Army career as an infantry line officer. But his future with the Army was to take a less conventional direction. "My dream was to serve soldiers as a chaplain." Doman used his GI Bill benefits to make that dream come true.*

*"My VA educational benefits I used to the fullest: Three years through seminary, one year for a graduate degree at Princeton, and what was left contributed towards my doctoral work."*

*"I came in the Army with a high school degree and, within twelve years, I had a Ph.D."*

*So says Capt. Alex W. Valadez, (center right, this page) who enlisted in the Army as a neuropsychiatric specialist. Valadez finished his bachelor of science degree by taking advantage of the Army's degree completion program.*

*A master's in education and doctorate in counseling psychology, earned while he served full-time with the Army, completed his list of educational credits.*

*"There's education and success here, young people. Come and get it!" says 1st Sgt. Roger C. Montgomery (right). "The Army gives you the tools and opportunity, all you have to do is take advantage of them."*

*Montgomery, with the Academy of Health Sciences at Fort Sam Houston, Texas, earned an associate's degree using GI Bill benefits.*

*Col. Peter D. Christman (left), commander of the U.S. Army Dental Activity at Fort Leonard Wood, Mo., first served as a combat medic in Europe during the early-1950s. Upon concluding that initial tour of duty, Christman used the GI Bill to complete his bachelor's degree and then earned a doctor of dental surgery degree.*

*Christman was commissioned and returned to active duty in 1961. In 1967, the Army sent him to Indiana University to complete his master of science in dentistry.*

*Sgt. 1st Class Carmen I. Roides says, "The Army took me in as I was, straight out of high school, and gave me job training as well as a college education."*

*Roides, serves as a data processor in Heidelberg, Germany. "The college credits I've received through the Army helped me get promoted in the past and will, I'm sure, in the future."*

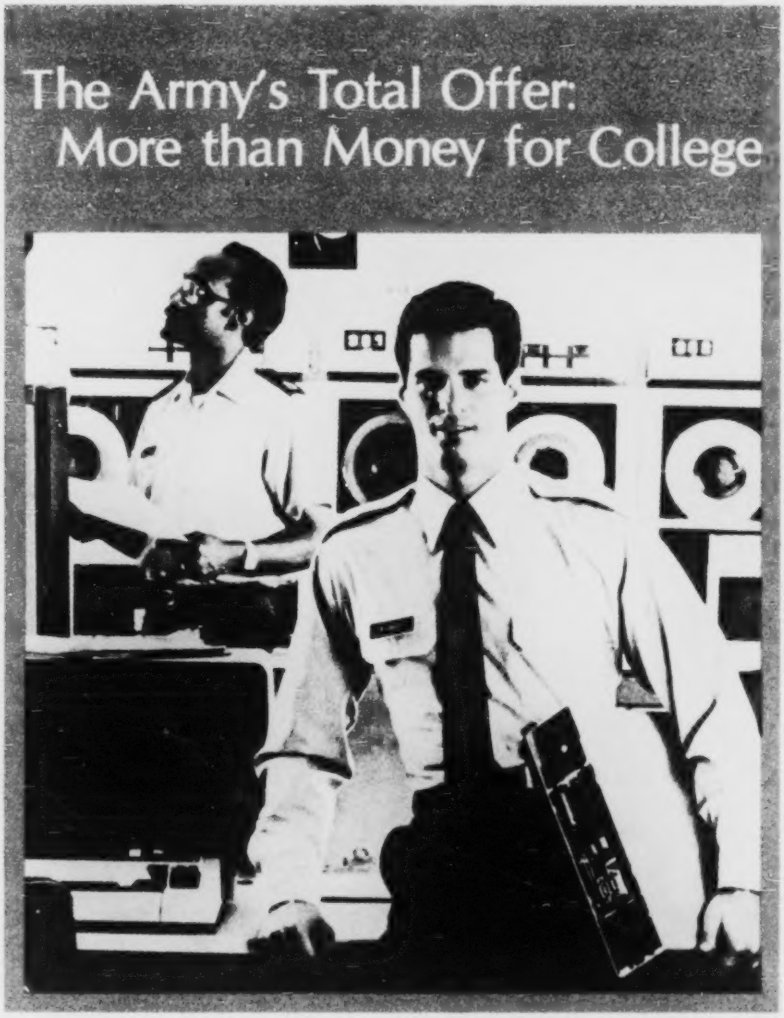
*Col. Frank L. Miller Jr. (left), chief of staff of the Army's National Training Center in Fort Irwin, Calif., entered Army service without a bachelor's degree. "The Army provided me with a two-year, fully funded period to obtain my degree. I was also afforded the time and resources to obtain my master's degree."*

*Miller says, "The Army education benefits I received have been like a loan or investment paid back by concerned, intelligent and better leadership in this member of the officer corps."*

*"I believe the harder one works to learn and the harder one works on the job, the more successful that person can be."*

*Lt. Col. Robert P. Walters (left), chief of the Military Police Branch at the Army's Military Personnel Center in Alexandria, Va. earned both his bachelor's and master's degrees using his GI Bill benefits.*

*"I have been privileged to serve in positions where I could use my military and civilian educational experience and build my technical knowledge. As a result of my background (and the help I got from the GI Bill), I was selected early for promotion to colonel. Without these degrees, I couldn't be where I am today."*



The Army's Total Offer:
More than Money for College

The description "All Volunteer Army" is certainly a misnomer. In truth, today's Army should be known as "all recruited". The bright young people who join our ranks today have a lot of potential. Many avenues are open to them. It takes coordinated research, well-considered planning, and concerted effort in order to bring the Army's message to them.

The early years of this experiment were rough going. Anti-military sentiment and the "me" generation of the '70s made recruiting tough. During the last decade, public opinion about the military has improved, yet the number of eligible young people to recruit has steadily declined. In spite of these obstacles, the Army has succeeded in accomplishing its mission by recruiting enough new soldiers. What is more, it has exceeded its objectives by providing the brightest, strongest, most morally fit Army America has ever known.

In fiscal year 1985, 91 percent of the Army's new recruits were high school graduates. Ninety-six percent of these new soldiers pass the Army's stringent physical training standards in basic training.

The Army has a lot to offer high achievers. For one, it is the largest single training school in the nation. In the Army, a young person doesn't have to dream about operating a main-frame computer. He or she can be trained to operate it — paid well while in training — and then put in front of the terminal to put those new-found skills to work.

Young people learn a lot more than just a skill. They learn self-confidence, teamwork, and responsibility. They travel around the world. They continue learning and accepting new responsibility and, as they do so, the Army recognizes their individual efforts by promotions and the opportunity to advance even more.

Whether a soldier chooses to make the Army a career or to return to civilian life after his or her first term, America is enriched. Like the soldiers who served at Normandy, Inchon, and Hue, today's veterans are returning to the classrooms, finishing their degrees, and advancing the American economy as they contribute their skills, enterprise and experience. The GI Bill plays a big part in America's future. It's helping the new generation of Army veterans to "Be All They Can Be."

# Tomorrow's Success Stories

*Capt. David D. Crowell (right) has done his best to use all the educational opportunities the Army has to offer.*

*Crowell, commander of a medical company at Madigan Army Medical Center in Tacoma, Wash., financed his bachelor's and master's degrees by using the Army's tuition assistance program, the GI Bill, and ROTC.*

*"The education I have obtained through these resources has put me where I am today. I fully expect to continue to reap continued benefits throughout my future.*

*"The Army, with the variety of assignments and geographical locations, has served to broaden me as an individual. I sincerely feel it has enriched my life and provides substantial pleasant memories for myself and my family."*

*Sgt. Donald R. Felt (right), airborne infantryman at Fort Bragg, N.C., says, "The Army has had a very positive effect on my life. I have found that one can truly, 'Be All You Can Be' by setting goals and working hard to achieve them."*

*Felt joined the Army two years ago and speaks highly of the Army's educational benefits. "The performance oriented training the Army provides has helped me gain confidence in myself and set my goals even higher. I try to take maximum advantage of every opportunity to gain knowledge and experience.*

*"I strive to be as technically and tactically proficient as possible. I look forward to each opportunity to gain Army schooling as a means of professional development and personal accomplishment."*

*The Non-Commissioned Officer of the Year for the 82nd Airborne Division is earning his degree while he serves.*

*Staff Sgt. Kenneth W. Riley (left) joined the Army with no college experience. Since then, he has earned almost enough credits for an associate's degree. Riley says, "I have taken classes on Saturdays and at nights whenever I could fit them in. I would urge all those with access to use them. Education can expand and enhance your life."*

*"I have progressed very rapidly in the Army," says Staff Sgt. Charles P. Willis (above). "Some of the things that I feel have made me successful are, striving to be the best soldier that I can be, good management of my personal affairs, knowledge of my job, and seeking self-improvement at all times."*

*One way Willis intends to continue his self-improvement goals is to use his veterans' educational benefits, which he says, "will contribute to my success in order for me to progress to the fullest extent of my military career."*

*"Four years ago, I was going nowhere and doing nothing. My life didn't have a lot of meaning. Then I joined the Army and the 82nd Airborne Division," says Sgt. Felix J. Esposito (left).*

*In Esposito's four years in the Army, he has participated in two overseas excercises, including "URGENT Fury 83" — better known as the invasion of Grenada.*

*"The Army enables me to do things that, although small, do effect the welfare of our nation. That gives me a feeling of satisfaction that couldn't be found elsewhere."*

# THE ARMY
# AND THE
# NEW GI BILL

PREPARED BY THE OFFICE OF THE
DEPUTY CHIEF OF STAFF FOR
PERSONNEL, UNITED STATES ARMY

JANUARY, 1987

(REVISED FEBRUARY, 1987)

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# PREFACE

## THE CURRENT SITUATION

The current GI Bill is a test program which is scheduled to expire on June 30, 1988. Further, there is no replacement program on the books to revert to when the New GI Bill ends. The Omnibus Veterans' Benefits Improvement and Health Care Authorization Act of 1986 eliminated the Post-Vietnam Era Veterans' Education Assistance Program (VEAP) which was a program of smaller benefits that followed in the footsteps but not the spirit of the three preceding versions of the GI Bill.

Senator Cranston, chairman of the Veteran's Affairs Committee, has introduced legislation which would make the New GI Bill permanent. The bill has bipartisan support among members of the committee and the Senate. Congressman Montgomery will soon introduce permanent GI Bill legislation in the House of Representatives. His bill has over 170 original cosponsors from both parties.

## ADDENDUM

**WHILE THIS BOOK WAS IN PRINTING, CONGRESSMAN MONTGOMERY INTRODUCED HIS BILL TO CONTINUE THE GI BILL, IN ITS PRESENT FORM, ON 11 FEBRUARY 1987.**

# BACKGROUND

## TRADITION OF EXCELLENCE

The New GI Bill, which began on July 1, 1985, continues a tradition of educational assistance to veterans which began at the end of World War II. Since then, education assistance for veterans has evolved through several versions, but the theme has been constant: young men and women serving their nation and investing in their future.

As a readjustment mechanism for veterans returning to civilian life, an incentive to attract quality young people into military service and a prudent investment in our Nation's human resources, it would be difficult to design a better program than the New GI Bill. Participation by soldiers indicate that it is an attractive program which enhances recruiting and will be used to continue their education after the completion of military service. Further, our society as a whole benefits. Veterans repay the taxpayers several times over in increased tax revenues and national and community service.

Congressman Montgomery, chairman of the House Veterans' Affairs Committee, who was the driving force in the passage of the New GI Bill in 1984, describes the performance of the New GI Bill this way:

> The New GI Bill has played a major role in saving the All-Volunteer Force...we must maintain a cost-effective means of attracting higher

> percentages [of a declining youth population]. Furthermore, we must have a program that gives us bright, disciplined, goal-oriented individuals. After all, that is what builds a strong military force. The New GI Bill, in concert with the compensation and enlistment bonus incentives, is allowing all branches of the military service to compete in the marketplace for quality personnel.
>
> The Speaker of the House of Representatives has made eloquent reference to the GI Bill and its impact on the Nation. In his words: "The very best financial investment this country ever made was the GI Bill of Rights at the end of World War II. It sent an entire generation of Americans to college. And our country has been reaping the dividends ever since."
>
> He is absolutely right. And we would like to see those dividends continue.

The GI Bill has become an American institution with far reaching effects. From Congressmen and government officials to leaders in business and education, many veterans got started as productive, concerned citizens with the help of the GI Bill. The New GI Bill is continuing this tradition of excellence.

# PURPOSE OF THE NEW GI BILL

Traditionally, the primary purpose of all four versions of the GI Bill, including the New GI Bill, is to provide an educational assistance program to assist in the readjustment of members of the armed forces to civilian life. However, the advent of the All Volunteer Force expanded the role of the GI Bill.[1]

The description "All Volunteer" is a misnomer. In truth, today's Army is "All Recruited." Hence, Congress cited another important reason for the New GI Bill which focuses on the Army's recruiting needs. That reason -- to promote and assist the all volunteer force in the recruitment of high quality personnel -- has been a part of the total program which has produced the brightest and strongest Army America has ever known.

Further, the New GI Bill is designed to encourage membership in units of the Selected Reserve. The Army Reserve and National Guard constitute an increasingly larger part of the Total Army's combat and support units. Congress' intent here seems to be the same as with the active component -- developing and maintaining a force of high quality, dedicated soldiers.

## PURPOSE OF THE NEW GI BILL

- PROVIDE A NEW EDUCATIONAL ASSISTANCE PROGRAM TO ASSIST IN READJUSTMENT OF MEMBERS OF THE ARMED FORCES TO CIVILIAN LIFE
- PROMOTE & ASSIST THE ALL VOLUNTEER PROGRAM ... PROMOTE RECRUITMENT OF HIGH QUALITY PERSONNEL
- ENCOURAGE MEMBERSHIP IN UNITS OF THE SELECTED RESERVE

FIGURE 1

## BENEFITS

The current GI Bill is open to all enlistees and officers except those officers who received their commission by attending a service academy or by participation in an ROTC scholarship program.

Active duty soldiers are automatically enrolled in the GI Bill unless they choose not to participate. Those enrolled have their basic pay reduced by $100 a month for their first 12 months of service. Upon completion of honorable service, veterans are eligible for a maximum of $10,800 ($9,000 for a two-year enlistment) for full-time schooling. The soldier's contribution of $1,200 is added to a maximum government contribution of $9,600 ($7,800 for a two-year enlistment). The soldier's contribution represents about a 15 percent reduction in pay during the first year's service.

Benefits are paid out to the veteran on a monthly basis for 36 academic months as long as he is satisfactorily enrolled in a Veterans Administration approved education program. The monthly rate depends on whether a veteran is a full or part-time student. A full-time student who served three years or longer receives $300 a month, while a full-time student who served two years receives $250 a month. Qualified young men and women who enlist for hard-to-fill occupational specialties are eligible to receive additional benefits on top of the basic benefit through the Army College Fund.

Figure 2 compares the three most recent veterans' education programs. The current GI Bill requires a smaller personal contribution than VEAP while doubling the total benefit for a three-year enlistment. Yet, the New GI Bill pays 20-30% less than the Vietnam Era GI Bill.

**COMPARISON OF BENEFITS UNDER THREE PROGRAMS**
**ACTIVE ARMY**

**(EXAMPLE: THREE-YEAR ENLISTEE)**

| PROGRAM | SOLDIER CONTRIBUTION | GOV'T CONTRIBUTION | TOTAL BENEFIT |
|---|---|---|---|
| VN ERA GI BILL<br>(PRE - JAN 77) | 0 | $16,128 | $16,128 |
| VEAP<br>(JAN 77 - JUN 85) | $2,700 | $5,400 | $8,100 |
| NEW GI BILL | $1,200 | $9,600 | $10,800 |

FIGURE 2

For Reserve component soldiers, the current GI Bill offers substantial improvement over the previous program. Figure 3 compares the current and previous programs. An important difference between the programs is that the current program is open to all enlistees and reenlistees; whereas, the previous program was targeted to certain recruits.

**COMPARISON OF BENEFITS**

**RESERVE COMPONENTS**

| | EDUCATIONAL ASSISTANCE PROGRAM | NEW GI BILL |
|---|---|---|
| **ELIGIBLES** | ENLISTED, NPS, HIGH SCHOOL GRAD, I-IIIA | ENL & OFF, NPS, PS, IN-SERVICE, HS GRAD, ALL TEST CATEGORIES |
| **BENEFIT TYPE** | INCENTIVE | ENTITLEMENT |
| **OBLIGATION** | 6 YRS SELECTED RESERVE | 6 YRS SELECTED RESERVE |
| **BENEFIT** | TO $1,000/YR<br>TO $4,000/YR | $2,520 AT $70/MO 1/2 TIME<br>$3,780 AT $105/MO 3/4 TIME<br>$5,040 AT $140/MO FULL TIME |
| **HOW PAID** | REIMBURSEMENT OF SCHOOL EXPENSES PAID QUARTERLY | CASH PAID EACH BENEFIT MONTH |

FIGURE 3

## PARTICIPATION

The New GI Bill has been a tremendous success with soldiers. Active and Reserve soldiers are participating (enrolling) in the current program in impressive numbers.

Since the program started in 1985, over 76 percent of eligible active duty soldiers have elected to participate and contribute the $1,200. Further, monthly participation rates have risen steadily. Since June 1986, the monthly rate has been nearly 85%. Enrollment in the GI Bill has nearly doubled that of VEAP.

## ACTIVE ARMY PARTICIPATION IN GI BILL...

**(JULY 1985-DECEMBER 1986)**

**ARMY GOAL – 90 %**

| ELIGIBLE | ENROLLED | % | ACF |
|---|---|---|---|
| 170,837 | 129,353 | 76 | 60,461 |

**MONTHLY RATE**

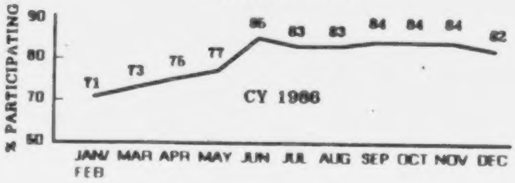

FIGURE 4

The GI Bill is proving to be as popular with Reservists and Guardsmen as it is with their active counterparts. Reserve component soldiers who join a unit for a six year obligation are eligible to begin using benefits after successfully completing six months of service and skill training. Through December 1986, 27,916 Reserve component soldiers had applied for education benefits. Annually, Reservists and Guardsmen are using the New GI Bill (an exceptionally effective incentive for high quality young Americans) at a rate of over three times that of the previous Reserve component program.

The other services are also experiencing vastly increased participation compared to VEAP. As with the Army, GI Bill participation rates for the other services in general are nearly double those of VEAP.

**PARTICIPATION IN THE NEW GI BILL**

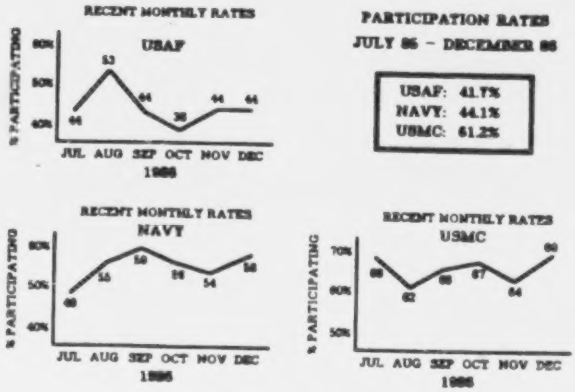

FIGURE 5

## FUNDING

It is a powerful point to note that the Secretary of Defense and all Services feel so strongly about retention of the GI Bill that they are willing to fund it within the DOD. However, funding for GI Bill education benefits has always been in the Veterans Administration (VA) budget. This is because the primary purpose of the GI Bill is readjustment to civilian life. First and foremost, the GI Bill is a program for veterans. Both bills introduced in the Senate and House of Representatives keep funding within the VA for that reason. Nonetheless, there are other sound reasons for not transferring funding to another agency.

The VA has over 40 years of experience in planning, budgeting and executing education programs for veterans. The administrative expertise and machinery is in the VA. Additionally, regardless of which agency funds the program, the VA will execute it. Taking the budgeting process from the VA causes an undo administrative burden and the very real problem of the VA being responsible for executing a program with a budget developed by another agency.

# THE NEW GI BILL SUCCESS STORY

Historically, the GI Bill education programs have been among the country's most effective legislation. The New GI Bill will be no different. In return for faithful service, veterans receive modest but important support in the form of an investment that will benefit the nation, as well as the individual for a lifetime.

## A STRONGER ARMY

Enlistment incentives are essential for successful Army recruiting. The increased complexities of modern warfare demand that the Army maintain the quality of its enlisted force. The Army needs quality soldiers who will perform well during their initial enlistment and will develop into qualified leaders who can successfully meet the challenges they will face over the course of a career.

The Army's quality program stems from the recognition that military service is a profession into which lateral accessions are not possible. Today's recruits will be tomorrow's sergeants. From 30 to 40% of the individuals who enlist in the Army will reenlist. It is from these individuals that the Army must develop its cadre of career soldiers. These individuals must perform well during their first enlistment and must be able to adapt to the changing requirements placed on them as their jobs change through second and succeeding enlistments. For some individuals those changes will require the ability to learn complex technical skills, while for others it will require them to have or learn the skills to be trainers and leaders. The point is that the Army must select not only those who will successfully complete their first enlistment but also those kinds of individuals who will rise to the greater challenges of leadership.

In recent years, the quality of Army recruits has improved dramatically in terms of education and Armed Forces Qualification Test (AFQT) scores. This is primarily due to improved recruiting incentives such as the New GI Bill. Today over 90 percent of Army recruits are high school graduates compared to 54 percent in 1980. Based on requirements determined by the Army's skill proponents, the percentage of recruits scoring in the upper half of the AFQT jumped from 26 to 63 percent over the same period. These improvements have reduced attrition and indiscipline and enhanced performance. In fact, these quality recruits have saved the nation the expense of recruiting and training a division's worth of manpower each year.

**IMPROVED QUALITY OF ARMY RECRUITS**

**ACTIVE ACCESSIONS**

| | FY 80 | FY 83 | FY 86 |
|---|---|---|---|
| **MENTAL CATEGORY** | | | |
| I-IIIA | 26% | 61% | 63% |
| IV | 52% | 12% | 4% |
| **HIGH SCHOOL GRADUATES** | 54% | 88% | 91% |

FIGURE 6

Smarter soldiers perform substantially better. Figures 7 and 8 show the results of some tests which vividly point this out. Analyses of virtually every measure of performance (e.g., tank firing, skill tests, promotions, indiscipline indicators, etc.,) supports the same common-sense premise -- Smarter Soldiers Are Better Soldiers.[2]

Among enlistment incentives, education incentives are critical for recruiting quality young people. Figure 9 shows some of the positive effects of education benefits. The GI Bill and Army College Fund expand the recruiting market by attracting college-oriented youth. Note that 43 percent of quality recruits (AFQT I-IIIA, high school graduates) would not have joined the Army without the combined benefits of the GI Bill and Army College Fund.

## QUALITY SOLDIERS PERFORM BETTER

| | AFQT TEST CATEGORY | | |
|---|---|---|---|
| | I–IIIA | IIIB | IV |
| **AIR DEFENSE** | | | |
| SHORAD GUNNERS SUCCESSFUL ENGAGEMENTS (TRASANA) | 67% | 52% | 48% |
| **ARMOR** | | | |
| RATE AT WHICH US CREWS DESTROYED OPPOSING TANKS (CANADIAN CUP) | 7 TO 1 | | 1.5 TO 1 |
| **INFANTRY** | | | |
| RATE AT WHICH RIFLEMEN WOULD KILL OPPOSING INFANTRY (HUNTER/LIGGETT) | 2 TO 1 | 1 TO 1 | 1 TO 1 |

FIGURE 7

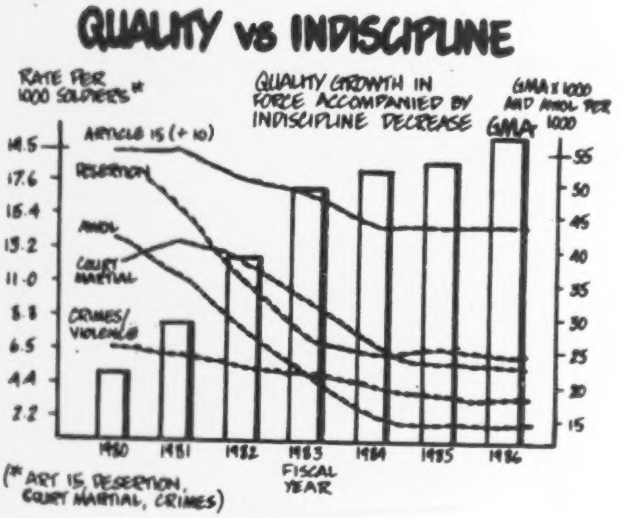

FIGURE 8

## POSITIVE EFFECTS OF EDUCATION BENEFITS

- EDUCATION BENEFITS EXPAND THE MARKET
- 37% OF HIGH-QUALITY MALE, HIGH SCHOOL GRADUATES RATED EDUCATION BENEFITS AS THE SINGLE MOST IMPORTANT REASON FOR ENLISTING (ARI NEW RECRUIT SURVEY FY 86)
- 43% OF HIGH-QUALITY RECRUITS WOULD NOT HAVE JOINED WITHOUT GI BILL PLUS ARMY COLLEGE FUND (ARI NEW RECRUIT SURVEY FY 86)
- BOTTOM LINE. EDUCATION BENEFITS INCREASE THE POOL OF POTENTIAL APPLICANTS BY ATTRACTING LARGE NUMBERS OF OF HIGH-QUALITY, COLLEGE-ORIENTED YOUNG PEOPLE (USAREC)

FIGURE 9

The GI Bill is one of a package of incentives which attract quality recruits, and in conjunction with the Army College Fund, it becomes a significant part of the Army recruiting effort. Moreover, the GI Bill has drawing power of its own. Recent analysis shows that quality male recruits were up 10 percent during the first 12 months of the New GI Bill over the last 12 months of VEAP.[3] Similar results have been recorded in the Reserve Components. For example, USAR AFQT I-IIIA recruits increased 24 percent and six-year enlistments increased 28 percent when comparing the first year of New GI Bill to the year prior.

The General Accounting Office reported in March 1986 that:

> While the potential impact of the New GI Bill on recruiting cannot be conclusively determined, Army statistics show a marked recruiting improvement since the New GI Bill was started on July 1, 1985. In addition, data obtained from the Reserve and National Guard components of the Army and Air Force show other improvements in enlistment, reenlistment, and extension statistics since the start of the New GI Bill.[4]

Now that recruiting resources are dwindling while recruiting challenges are increasing, the GI Bill is becoming even more vital as a recruiting tool. Improving employment opportunities and a shrinking youth population are occurring at the same time that incentives are being cut (Figure 10). As shown on the next page, reductions in the enlistment bonus, Army College Fund and advertising budgets along with ever worsening pay (relative to civilian earnings) and the prohibition on paying both Army College Fund and enlistment bonuses to a recruit have increased the role played by the New GI Bill.

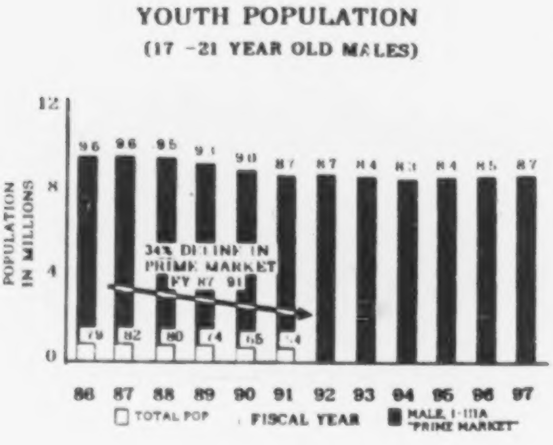

FIGURE 10

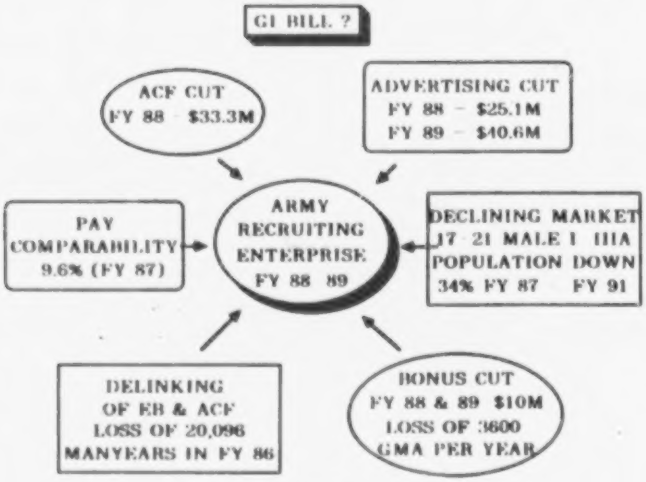
GI BILL ?
ACF CUT
FY 88 - $33.3M
ADVERTISING CUT
FY 88 - $25.1M
FY 89 - $40.6M
PAY COMPARABILITY
9.6% (FY 87)
ARMY RECRUITING ENTERPRISE
FY 88 89
DECLINING MARKET
17 21 MALE I IIIA
POPULATION DOWN
34% FY 87 FY 91
DELINKING OF EB & ACF
LOSS OF 20,096
MANYEARS IN FY 86
BONUS CUT
FY 88 & 89 $10M
LOSS OF 3600
GMA PER YEAR

FIGURE 11

## COMMITTED STUDENTS

In addition to financial support, military service benefits soldiers in other ways. The responsibility and discipline required by the Army fosters the maturity, self-confidence and values necessary for success in college and throughout life. The financial support combined with character development result in mature, committed students preparing for productive citizenship.

## REACHING FOR EXCELLENCE

The Army has for a long time been committed to education. Recently that commitment -- Reaching for Excellence -- has been intensified by assisting soldiers who have completed their service with the transition to the academic environment. "Partnership In Excellence" is a joint program by the Army and the American Association of Collegiate Registrars and Admission Officers to ease the transition from service to school.

Each year the Army discharges about 70,000 soldiers who are headed for some type of an education experience. Through "Partnership In Excellence" the Army will now be linked to counselors and admission officers nationwide. This network will facilitate the enrollment of soldiers pursuing a college education. The Army believes its obligation to its soldiers involves following through beyond their enlistment. In conjunction with the GI Bill, "Partnership in Excellence" will help better fulfill that obligation.

# A BETTER AMERICA

Benefits of the financial support provided by the GI Bill do not accrue solely to the individual. Because the support is wisely provided in the form of an investment in human resources, it will pay dividends to the country for many years.

The Senate Veterans' Affairs Committee found that education assistance to veterans was repayed several times over. Senate Report 90-1243 (September 1976) concluded that:

> For each dollar spent in education benefits, ...the Federal government has received from $3-$6 in additional tax revenue from veterans whose education has given them increased earning capacity.

This finding was recently supported by Senator Cranston in the January 6, 1987, Congressional Record.

> Not only does the use of educational benefits to recruit college-oriented young people benefit our Armed Forces, but it also benefits our country in terms of the development of a more highly educated labor force...There is no question that increased taxes paid over a lifetime of work on increased income repays many times the cost of the education borne by the taxpayer... The enormous contributions that have been made by

> the three predecessor GI bills to our Nation through the education and training of our citizenry and the increased productivity, gross national product, and tax revenues produced thereby are well known.

It is easy to see the impact that the GI Bill has on the economy and government revenues by comparing the increased income resulting from a college education to the cost of the GI Bill. The median earnings difference between workers with a college degree and those workers who only completed high school is more than $9,400 annually, which is virtually the same as the one-time, total government contribution for the GI Bill.

The cost of the GI Bill pales in significance to the massive Pell education grants of close to $4 billion annually which are provided with no expectation of service to the nation whatsoever. It is interesting to note that in 1985 the maximum Pell grant for four years was $8,400 which is roughly equivalent to the maximum $9,600 government contribution for the GI Bill.

Not only does the veteran serve his country, but he voluntarily disrupts his life to do so. Veterans returning to civilian life find themselves three or more years behind their contemporaries in formal education or civilian job experience. Although the Army teaches discipline, self confidence and success-oriented character traits, the majority of Army jobs are not directly applicable to civilian life. The GI Bill helps ease the transition.

Senator Murkowski, in the January 6, 1987, Congressional Record, eloquently refers to the obligation of the citizen to serve his country and the country to provide for his readjustment as the "interlocking tapestry of duty and responsibility."

> The United States has no obligation more fundamental than ensuring that the freedoms and opportunities we enjoy are protected from those who would destroy them by force of arms. To meet this obligation to its citizens the Nation must impose upon them a corresponding duty to support the Armed Forces which defend both the Nation and the Constitution which protects our liberties. At times, that support must take the form of service in the Armed Forces.
>
> When circumstances compel us to call Americans to arms we, in turn, have a responsibility to provide for the readjustment to civilian life of those who have protected our liberty. Veterans' benefits are one of the major tools we have to meet this responsibility...
>
> In a nation increasingly dependent upon the knowledge and skills of its citizens, such a

> benefit [education] works to the advantage of society as well as the veteran. In an economy where the future of an individual is dependent on his or her education, such a benefit allows an individual to prepare for a productive and independent life. An education benefit is uniquely appropriate to assist veterans in their readjustment to civilian life and to provide the United States with the productive and skilled citizens we will need to succeed in the highly competitive international economy we can expect to face in the future.

## CONCLUSION

The Army has embraced the New GI Bill and promoted it as a positive reflection of its commitment to America's youth. This philosophy has helped advance the Army to the highest level of readiness and public acceptance in many years. In October 1986, Congressman Montgomery, chairman of the House Committee on Veterans' Affairs and a senior member of the House Armed Services Committee, led a delegation which visited basic training sites to observe and evaluate the implementation of the New GI Bill. In his report Congressman Montgomery concluded that:

> The delegation believes that the New GI Bill is on track. All services are implementing this program effectively and making good use

of the flexibility built into the New GI Bill to best meet their own needs. The delegation is convinced that the New GI Bill is successfully fulfilling its intended purposes which are to enhance recruitment and retention in the services and to provide a meaningful readjustment benefit to the men and women entering military service today...

The New GI Bill has enabled the services to open the previously untapped recruitment market of college oriented young people and to broaden access to the potential recruits who are employment oriented. The Army's utilization of the New GI Bill is a particularly impressive success story. For the first time, the Army has... broken the link between unemployment and recruiting and vastly improved the quality of new recruits [Figure 12]. Only 4% of FY 1986 nonprior service accessions are in Category IV, a remarkable improvement over the 57% of Category IV's accessed during FY 1980.

The reserve components have also utilized the New GI Bill successfully and effectively. Units visited by the delegation indicated significant visited by the delegation indicated significant increases in retention and in recruitment of high quality young people...

**HIGH SCHOOL GRADUATE, MALE, I–IIIA CONTRACTS VS. MALE UNEMPLOYMENT RATES**

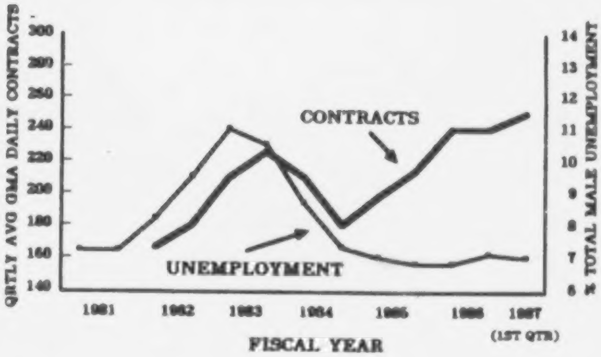

FIGURE 12

The conclusion reached by the delegation is that the New GI Bill is working extremely well. It is the primary benefit that is drawing high school graduates in the upper mental categories into active and reserve military service. The delegation is mindful, however, that the recruiting climate is currently, and will continue to be, fragile due to the improving national employment situation and the constantly shrinking cohort of young people from which the services must recruit. In view of this, it is the belief of

> the delegation that the total benefit package now available must not be reduced or diminished. The New GI Bill, combined with an adequate level of base pay, enlistment and reenlistment bonuses and other benefits, will allow the services to continue and even surpass their current level of successful recruitment and retention.

The New GI Bill is a winner for the veteran, the Army and the Nation. The permanent continuation of the GI Bill will continue the tradition of assisting veterans, encouraging the enlistment of quality young men and women, and supporting a vital, productive American society.

## EXPLANATORY NOTES

1. New GI Bill requirements and benefits are in Chapter 30, Title 38, USC for active-component service members and chapter 106, Title 10, USC for those in the reserve components.

2. The tests referenced in Figure 7 were conducted in 1980 for SHORAD engagements, 1981 for combat-simulated tank gunnery, and 1984 for infantry combat simulation.

3. The ten percent increase was estimated using econometric techniques to isolate the effect of the New GI Bill on recruiting high school graduates, I-IIIA AFQT males (GMA). Variables included in the analysis were number of recruiters, high-quality mission, other missions, population, unemployment, GI Bill and dummy variables for quarters of the year analyzed, and Army Recruiting Brigades. The coefficient of the variable measuring the effect of the New GI Bill was highly significant and implied a 9.7 percent increase in GMA contracts as a result of implementing the New GI Bill. For more detailed information, contact one of the Army representatives shown on the title page.

4. GAO Report, "The New GI Bill: Potential Impact of Ending it Early," March 1986, as reprinted in Congressional Record, 6 January, 1987, page S230.

DEPARTMENT OF THE AIR FORCE
MCMXLVII
UNITED STATES OF AMERICA

# An Air Force Guide to the NEW GI BILL

### Legislative Authority

On October 19, 1984, Public Law 98-525 was enacted. This Act provides for a new educational assistance program—the Veterans' Educational Assistance Act of 1984, more commonly known as "the New GI Bill." The new program also provides for an educational entitlement program for members of the Selected Reserve. Significant provisions of this legislation are listed below.

### The New GI Bill - Eligibility and Entitlement

Individuals who come on active duty between July 1, 1985 and June 30, 1988 will be automatically enrolled under the New GI Bill, unless they disenroll during Basic Military Training. Once signed up, active duty members will have $100 deducted from their pay for the first 12 full months of active duty. This reduction is nonrefundable. To receive full post-service benefits as veterans, members must:

(1) Serve at least three years of active duty after June 30, 1985.

(2) Have received a high school diploma or equivalent prior to completion of their initial tour of active duty.

(3) Separate from service with an honorable discharge.

Air Force members can begin using benefits after two years of active duty. Benefits expire 10 years after last discharge or release from service.

The new program pays a total benefit of $10,800 for three years' of service at the rate of $300 per month for up to 36 months. Three quarter time study will be paid at the rate of $225 per month, and half time study at a rate of $150 per month.

The program will pay for studies at post-secondary institutions which are approved by the Veterans Administration for the payment of educational benefits.

Apprenticeship and other on-the-job training, cooperative programs, farm cooperative, flight training and correspondence training are not approved for payment under the new GI Bill. Work-study, tutorial assistance and educational loan programs are also not approved for payment of benefits.

Graduates of Service Academies and ROTC scholarship recipients are not eligible.

### The New GI Bill for Selected Reserve*

Selected Reserve enlisted personnel who enlist, extend or reenlist for at least six years from July 1, 1985, are eligible for a total benefit of $5,040. Officers who, on July 1, 1985, or later, agree to serve for six additional years beyond their current Selected Reserve obligation, are also eligible. The benefit is paid at the rate of $140 per month for up to 36 months for full-time education attendance; $105 per month for three-quarter time attendance; and $70 per month for half-time attendance.

There is no deduction from pay for Reserve members.

Reserve members are eligible for benefits as soon as they have completed initial active-duty training and 180 days service in the Selected Reserve. Members who have a bachelor's degree are not eligible for benefits.

If additional information is desired concerning the New GI Bill prior to entry on active duty, please contact your nearest Air Force recruiter. For those on active duty, see your education counselor at your local base education center.

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*Selected Reserve consists of units belonging to the Air Force Reserve and the Air National Guard as well as those individuals serving on active duty on statutory tour assignments.

"Commanders must spearhead the effort to ensure that all soldiers are counseled concerning their benefits."

GEN. JOHN A. WICKHAM, JR.
Chief of Staff

# Commander's Guide to the New G.I. Bill + The New Army College Fund

for:
**New Soldiers**
**Selected Reserve**
**VEAP-era Soldiers**
**Vietnam-era Soldiers**

## The New G.I. Bill

Soldiers who come on active duty between July 1, 1985 and June 30, 1988 will be automatically enrolled under the New G.I. Bill, unless they disenroll at the reception station. Once signed up, active-duty members will have $100 deducted from their pay for the first 12 full months of active duty. This deduction is non-refundable.

To qualify for benefits, active-duty members must:

(1) Serve at least three years of active duty after June 30, 1985, or

(2) Serve at least two years of active duty if initial obligation is less than three years, or

(3) Serve two years on active duty and four years of satisfactory participation in the Selected Reserve, and

(4) Must have received a high school diploma or equivalent prior to completion of their initial tour of active duty.

The new program pays a total benefit of $10,800 for three or four years' of service at the rate of $300 per month for up to 36 months. The program pays a total benefit of $9,000 for two years' service at the rate of $250 per month for 36 months.

Soldiers can begin using benefits after two years of active duty. Benefits expire 10 years after last discharge or release from service.

Graduates of Service Academies and ROTC scholarship recipients are not eligible.

## The New Army College Fund

The New Army College Fund provides for a 'kicker' (bonus) of up to an additional $400 per month over the basic benefit for members who enlist in selected specialties. These qualifying specialties are revised every quarter.

To be eligible, soldiers must:

(1) Be non-prior service,

(2) Be a high school diploma graduate,

(3) Score 50 or above on Armed Forces Qualification Test,

(4) Enlist in selected occupational specialty,

(5) Enroll under New G.I. Bill.

## The New G.I. Bill for Selected Reserve*

Selected Reserve enlisted personnel who enlist, extend or reenlist to total at least six years from July 1, 1985, are eligible for a total benefit of $5,040. Officers who, on July 1, 1985, or later, who agree to serve for six additional years beyond their current Selected Reserve obligation, are also eligible. The benefit is paid at the rate of $140 per month for up to 36 months for full-time education attendance; $105 per month for three-quarter time attendance; and $70 per month for half-time attendance.

There is no deduction from pay for Reserve members.

Reserve members are eligible for benefits as soon as they have completed initial active-duty training and 180 days service in the Selected Reserve. Members who have a bachelor's degree are not eligible for benefits.

**Selected Reserve consists of Army National Guard and Army Reserve members of Troop Program Units, Individual Augmentee Program and the Active Guard and Reserve Program.*

## The New G.I. Bill for Vietnam-era Soldiers

Vietnam-era G.I. Bill recipients (active duty prior to Jan. 1, 1977), whose benefits expire Dec. 31, 1989, can convert to the New G.I. Bill. If these veterans have had no break in service, they can elect to serve three years after June 30, 1985, and qualify, on Jan. 1, 1990, for the new basic benefit of $300 for each month of school for a maximum of 36 months and half of their remaining Vietnam-era G.I. Bill benefits.*There is a limit of 48 months of benefits under any combination of VA-administered programs.*

The expiration date of these two benefits is 10 years after the individual's last discharge or retirement from active duty.

Vietnam-era veterans make no contribution to the new program.

## VEAP-era Soldiers

Soldiers who came on active duty between Jan. 1, 1977, and June 30, 1985, are not eligible for the New G.I. Bill. They are covered by the Veteran's Educational Assistance Program (VEAP).

Those soldiers who have not enrolled in VEAP must start an allotment or make a lump-sum payment at their local finance office by June 30, 1985, or lose their opportunity for educational assistance. All new enrollments in VEAP will be suspended when the New G.I. Bill becomes effective on July 1, 1985. Soldiers already enrolled in VEAP have nothing to worry about. The program will continue.

Soldiers can contribute as little as $25 or as much as $100 a month to a VEAP account. At the end of 12 consecutive months of contribution, the government contributes $2 for every $1 saved.

Contributions are limited to $2,400 during a two-year enlistment/obligation or $2,700 during a three-or-more-year enlistment/obligation. Soldiers can drop out of the program at any time and their contributions will be refunded by the Veterans Administration. However, soldiers must complete 24 months active duty and participate in VEAP for at least 12 months to receive any part of the government contribution or be eligible for the (VEAP-era) Army College Fund kicker.

## (VEAP-era) Army College Fund

Soldiers who enlisted in selected specialties that qualified for the Army College Fund kicker between Jan. 1, 1977 and June 30, 1985, will lose their ACF kicker if they do not sign up for VEAP by June 30, 1985.

## Educational Benefits Comparison Chart

|  | VEAP | VEAP-era ACF | New G.I. Bill | New G.I. Bill w/New ACF |
|---|---|---|---|---|
| Four years service (or longer): |  |  |  |  |
| Soldier Contributes | $2,700 | $ 2,700 | $ 1,200 | $ 1,200 |
| Government Contributes | 5,400 | 5,400 | 9,600 | 9,600 |
| Kicker | -- | 18,300 | -- | 14,400 |
| Total Benefit | $8,100 | $26,400 | $10,800 | $25,200 |
| Three years service: |  |  |  |  |
| Soldier Contributes | $2,700 | $ 2,700 | $ 1,200 | $ 1,200 |
| Government Contributes | 5,400 | 5,400 | 9,600 | 9,600 |
| Kicker | -- | 12,000 | -- | 12,000 |
| Total Benefit | $8,100 | $20,100 | $10,800 | $22,800 |
| Two years service: |  |  |  |  |
| Soldier Contributes | $2,400 | $ 2,400 | $ 1,200 | $ 1,200 |
| Government Contributes | 4,800 | 4,800 | 7,800 | 7,800 |
| Kicker | -- | 8,000 | -- | 8,000 |
| Total Benefit | $7,200 | $15,200 | $ 9,000 | $17,000 |
| Selected Reserve |  |  | $ 5,040 |  |

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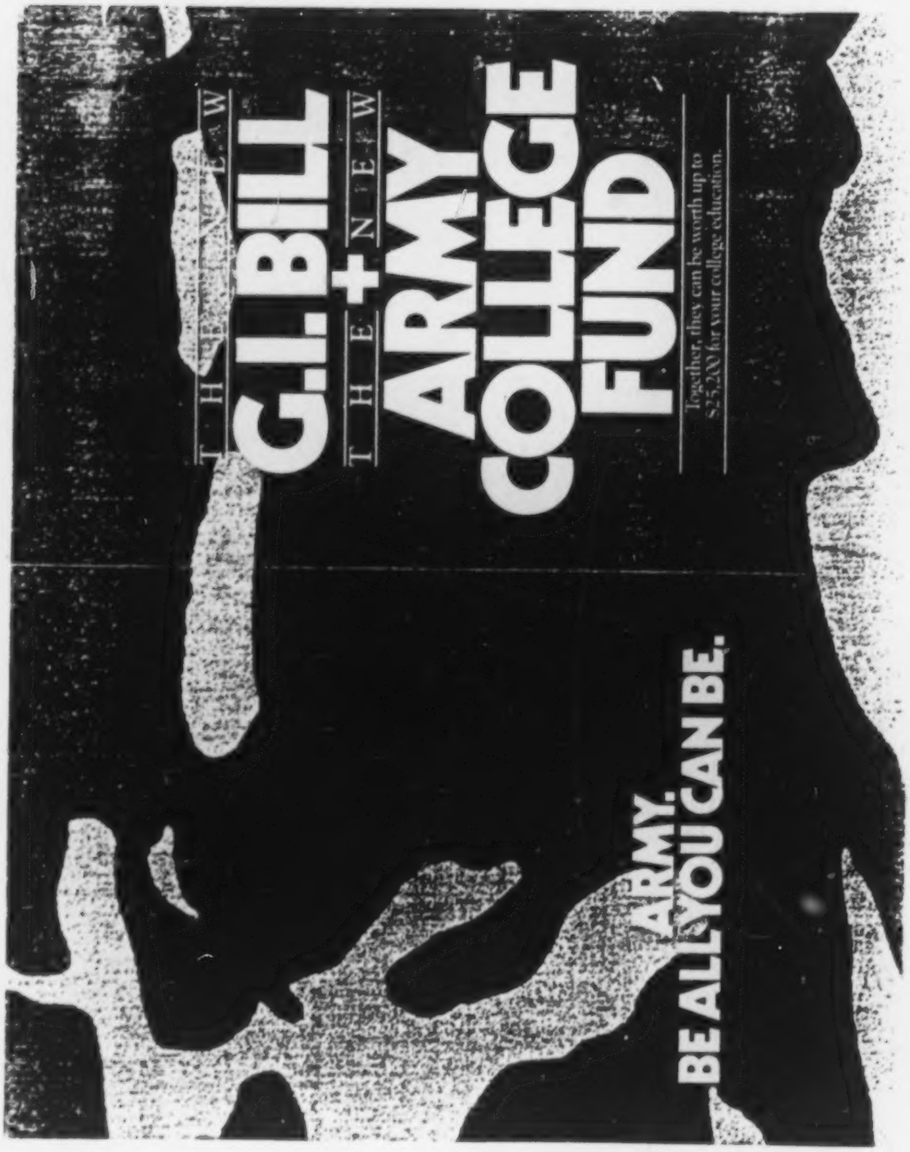

THE NEW
G.I. BILL
+
THE NEW
ARMY
COLLEGE
FUND
Together, they can be worth up to $25,200 for your college education.
ARMY.
BE ALL YOU CAN BE.

Over the years, the Army has helped send more than nine million people to college; many attended under the original GI Bill, created for the returning veterans of World War II. Now there's a new generation of young Americans—and a New GI Bill. This one, enriched with extra Army benefits. It's the New GI Bill Plus the New Army College Fund.

If you have plans for college, these programs can change the way you plan to pay; and if you hadn't planned on going, they could change your plans completely.

## EARN UP TO $25,200 FOR COLLEGE.

With the New GI Bill Plus the New Army College Fund, you can earn up to $25,200 while you serve your country. Here's how it works.

First, you contribute to your education—$100 per month for the first twelve months of your enlistment. Then the government contributes—up to $9,600. That's the New GI Bill. Your contributions will be deducted automatically from your Army salary.

The New GI Bill is available to everyone who enlists in the Army after July 1, 1985, regardless of what specialty you sign up for. You cannot have served during a previous Army enlistment. How much you'll earn depends on how long you serve. For maximum returns, see the table.

But you can accumulate up to an additional $14,400 through the New Army College Fund. This is the Army's way to encourage ambitious high school graduates to think seriously about Army service.

To qualify for the extra benefits, you must meet certain standards. You must be a high school graduate, score 50 or more on the Armed Forces Qualification Test, and enlist for your choice of training in one of 80 selected Army specialties. As you can see from the list, there are skills that'll challenge your mind as well as your body. Skills that can lead to a rewarding future.

| ENLISTMENT | NEW GI BILL | NEW GI BILL PLUS NEW ACF |
|---|---|---|
| 2 years | $9,000 | $17,000 |
| 3 years | $10,800 | $22,800 |
| 4 years | $10,800 | $25,200 |

## GET A VALUABLE SKILL. GUARANTEED.

The Army is America's largest school for technical skills. You'll get top-notch instruction, learning on the best possible equipment. Most courses last from six to twelve weeks; some schools, especially for highly technical fields like electronics or computers, may last up to a year.

Through the Army's Delayed Entry Program, you can get your choice of training guaranteed. In writing. You'll have the advantage of knowing what you'll be doing and, in many cases, where you'll be going. If you sign up now, you can take up to one full year to report for duty. We'll guarantee that the skill training program you selected and qualified for will be waiting for you.

## GET THE REWARDS OF SERVING.

The rewards go far beyond the chance to earn money for college. And include the opportunity to serve your country. As well as the opportunity to see it.

As a soldier, you'll have the chance to travel, to meet people, make new friends and visit places you may never have thought you'd see.

You'll also have the opportunity to grow. To develop a sense of direction. To become more disciplined. To develop your potential and stretch your limits.

So when you do go, you'll be able to get the most out of college.

Think of the Army as an investment in your future. You put in your time, ability and enthusiasm. In return, you get back money for your college education, the rewards of valuable skill training, as well as the kinds of things money can't buy.

Think about it.

More than nine million people have gone to college through the Army.

Perhaps it's your turn now.

## ARMY OCCUPATIONAL SPECIALTIES.

Listed are the Military Occupational Specialties that qualify you for full Army College Fund benefits.

Cargo Specialist
Construction Equipment Repairer
General Construction Equipment Operator
Light Wheeled Vehicle Mechanic
*Self-Propelled Field Artillery Systems Mechanic
*M1 Abrams Tank Systems Mechanic
Fuel and Electrical Systems Repairer
Tracked Vehicle Repairer
Quartermaster and Chemical Equipment Repairer
Tank Systems Mechanic (M60)
Heavy Wheeled Vehicle Mechanic
Bradley Fighting Vehicle Systems Mechanic
Wheeled Vehicle Repairer
Tracked Vehicle Mechanic
*Motor Transport Operator
Chapel Activities Specialist
Telecommunications Center Operator
Automatic Data Telecommunications Center Operator
Equipment Records and Parts Specialist
Material Control and Accounting Specialist
Material Storage and Handling Specialist
Petroleum Supply Specialist
Subsistence Supply Specialist
Unit Supply Specialist
*Field Artillery Surveyor
Food Service Specialist
General Construction Equipment Operator
M1 Abrams Armor Specialist
Satellite Communications Equipment Repairer
TOW/DRAGON Missile Repairer
Single Channel Radio Operator
Combat Signaler
Multichannel Communications Equipment Operator
Tactical Communications System Operator/Mechanic
*Wire Systems Installer
Wire Systems Operator
Parachute Rigger
Fabric Repair Specialist
Metal Worker
*Self-Propelled Field Artillery Turret Mechanic
*M1 Abrams Tank Turret Mechanic
Fire Control Systems Repairer
*Tank Turret Repairer (M60)
Artillery Repairer
Tank Turret Mechanic (M60)
Bradley Fighting Vehicle Mechanic
Utilities Equipment Repairer
Power Generator Equipment Repairer
Turbine Engine Drive/Generator Repairer
Smoke Operations Specialist
Nuclear, Biological, Chemical Specialist
Ammunition Specialist
Explosive Ordnance Disposal Specialist
Nuclear Weapons Maintenance Specialist
Electronic Warfare/Signal Intelligence Identifier/Locator
Electronic Warfare/Signal Security Specialist
Electronic Warfare/Signal Intelligence Morse Code Interceptor
Electronic Warfare/Signal Intelligence Non-Morse Code Interceptor
*Infantryman
*Combat Engineer
*Bridge Crewman
*Atomic Demolitions Munitions Specialist
*Engineer Track Vehicle Crewman
*Cannon Crewman
*TACFIRE Operations Specialist
*Cannon Fire Direction Specialist
Fire Support Specialist
*MLRS Crewmember
*Firefinder Radar Operator
Lance Missile Crewmember
PERSHING Missile Crewmember
*MLRS/LANCE Operations/Fire Direction Specialist
Air Defense Artillery Operations/Intelligence Assistant
*Air Defense Acquisition Radar Operator
*SGT York Air Defense Gun Crewmember
*Air Defense Artillery Short Range Gunnery Crewmember
*MANPADS Crewman
*Field Artillery Target Acquisition Specialist
*Air Defense Artillery Short Range Missile Crewmember
*Heavy Construction Equipment Operator
*Armor
*Cavalry Scout
Military Police
Interrogator
Electronic Warfare/Signal Intelligence Analyst
Electronic Warfare/Signal Intelligence Voice Interceptor

*Not available to women

*This list is subject to change

## *Other Educational Assistance*

DANTES . . . (Defense Activity for Non-Traditional Educational Support). DANTES makes available to servicemembers a wide array of independent study courses as well as an extensive testing program. The testing program includes:

Admissions Test . . . SAT and ACT for college/university admissions are free to servicemembers at DANTES Testing Centers.

CLEP . . . (College Level Examination Program). Successful completion of the examinations this program provides may help you gain college credit.

GED . . . (General Education Development). Through this program, you can earn a high school credential. GED testing is available from civilian GED Test Centers within the United States and from DANTES Test Centers on military bases overseas. There is no charge for GED testing at overseas centers.

Equivalency for Technical Schools Training. You have an opportunity to apply to a civilian school for credit for military training. Credit recommendations are published by the American Council on Education.

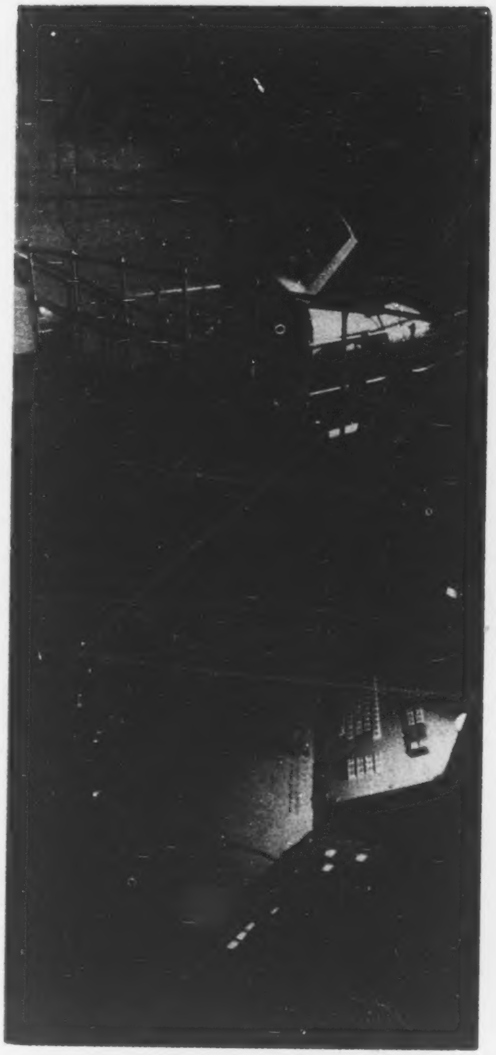
Basic Skills Education Program. In this program, courses are offered during on-duty time in skills directly related to military occupational specialties. Instruction in reading, mathematics, English and English as a second language is available to enhance your occupational performance.

High School Completion. The more education you have, the better Marine you'll be. The Corps wants you to finish high school before you become a Marine. But if you don't have your high school diploma or a recognized equivalent, there are ways the Corps can help you get it.

To qualify for assistance in attaining your high school diploma you must be on active duty. The next step is to enroll in a high school completion program where you'll attend classes during your off-duty time. The Corps pays 100% of the tuition charges in this program.

## *Educational Opportunities*

The Marine Corps offers many programs to help you earn college credits and learn marketable skills. Your ambition is highly regarded by the Marine Corps. We want you to better yourself, and encourage you to do it.



## *What The Corps Has To Offer You*

It starts in boot camp. The proving ground where every Marine learns first hand what being part of our proud traditions demand—physically, emotionally and mentally. But Marines don't stop learning there.

Education and a Marine's individual development is important to the Marine Corps. That's why we offer over 100 vocational schools where you can train to become a specialist or technician in over 300 jobs in occupational fields such as aviation, communications, or electronics. You can even complete an apprenticeship program, earn college credits, or receive a commission as an officer of Marines. When you earn the title United States Marine, you also earn an opportunity to fulfill new ambitions. Here's how you can do it.

This brochure contains a partial list of vocational schools offered by the Marine Corps. There are also other ways the Corps can help you further your education. Look them over. Consider the opportunities. Then look into the Corps.

## *The New GI Bill*

The new GI Bill provides financial assistance towards a college education, after you complete one tour of active duty. All you have to do is contribute a total of $1200 in monthly installments.

Then after you finish active duty you can receive up to $300 a month for 36 months while you're in school.

The new GI Bill also offers other educational benefits, see your local Marine recruiter for details.

## *Servicemembers Opportunity Colleges (SOC)*

It can be difficult to complete your college education while you're on active duty. You're faced with transfers which can mean a loss of credits. So what's the solution? Consider enrollment in one of the 400 colleges and universities that participate in the Servicemembers Opportunity Colleges program. This program lets you transfer to any institution in the SOC network without loss of credits.

Not only will your credits transfer, but you can earn up to 15 semester hours' credits through your military job. This can give you an opportunity to earn college credits for the in-service training you receive through the Corps' occupational fields, depending on the school's policy.

To qualify for the SOC program, you must be on active duty, have a high school diploma or a recognized equivalent, and be enrolled in one of the SOC-participating institutions.

## *Tuition Assistance Program*

TAP . . . (Tuition Assistance Program). As an enlisted Marine, 75 percent of your college tuition cost will be paid by the Marine Corps. Sergeants and above with less than 15 years active duty are eligible for 90 percent financial assistance.

This program, subject to the availability of funds, applies to accredited colleges and universities where you complete courses during off-duty time while serving active duty.

## *Apprenticeship Program*

While you're on active duty in the Marine Corps, you may be able to complete an apprenticeship and meet the requirements for "journeyman" status. To qualify you simply have to be on active duty and in a Military Occupational Specialty approved for the program.

Documented work experience in your MOS can be applied towards an apprenticeship. Upon completion of formal training and the requisite number of hours on the job, the Department of Labor, through an agreement with the Marine Corps, will grant you a Certificate of Completion thereby giving you "journeyman" status.

The apprenticeship program can work for you in other ways too. It helps you advance in your field while on active duty, and after separation or retirement from the Corps, it puts you ahead of others in your profession.

## *Marine Corps' Enlisted Commissioning Education Program (MECEP)*

As an enlisted Marine you've earned the respect of others through hard work and determination. Now you want more challenges, more responsibilities. You want to be an officer in the United States Marine Corps. If you think you have what it takes to be a leader, the Marine Corps' Enlisted Commissioning Education Program (MECEP) gives you an opportunity to prove it.

MECEP is open to any Regular or Reserve enlisted Marine, with the rank of Corporal or above who meets the eligibility requirements.

To participate in MECEP you must first be selected to attend a ten-week prep school. From there, you go on to any one of 30 major colleges or universities where you'll study for a baccalaureate degree. While you're in the program you'll receive your full pay and your allowances, plus all your Marine benefits. After graduation and completeion of Officer Candidate School you will be commissioned a Second Lieutenant.

### Before you know it, you can begin classes.

Once you've been a Marine for 24 short months, you can begin classes part-time on active duty, at which time you'll receive partial benefits. Once you complete your enlistment and you begin full-time classes, you'll draw the standard $300 a month until you've used up the $10,800 that's yours.

You may decide you want to wait until you've completed your entire enlistment before you begin school. If that's the case, you'll receive the full $300 a month for 36 months once you begin full-time classes. For more details, talk to your Marine Corp recruiter.

### Get in the Reserves and get $5,040 for your education.

There's more than one way to get help with your future education. Maybe you'd prefer a full-time civilian career combined with the excitement of part-time opportunity in the Marine Reserve. If that's your kind of opportunity, after initial training, all you have to do is drill one weekend a month and complete two weeks of annual training for 6 years. Your remaining 2 years being inactive drill status.

Under this program, you make no contributions of your own and can begin classes almost immediately. If you go to school full-time, you'll receive $140 a month for 36 months. Go ¾ of the time and you'll get $105 a month for 48 months. Or attend on a ½ time basis and you're entitled to $70 a month for 72 months. Any way, it's a great way to help pay for your advanced education.

### Every job comes with money for school.

Whether you join the Marine Corps or the Marine Reserve, every job we have to offer not only offers you a challenge, but comes with all the benefits of the New G.I. Bill included. In other words, you don't have to qualify for a particular job to be eligible for your G.I. benefits. You receive them no matter which career field you decide on.

So, the choice is yours. You can become someone . . . or you can be like everyone else. See your local Marine recruiter. Ask him about the New G.I. Bill. It's for someone like you.

## J. CLAY SMITH, JR.

## DEAN

## HOWARD UNIVERSITY SCHOOL OF LAW

Dr. J. Clay Smith, Jr., is the Dean of Howard University Law School. He was born in Omaha, Nebraska, and attended Creighton University, graduating in 1964. He obtained his J.D. from Howard University School of Law in 1967. From 1967-1971, he was on active duty with the Army, where he served as Captain in the Judge Advocate General Corps. He received his LL.M. and S.J.D. degrees from the George Washington University National Law Center in 1970 and 1977, respectively.

Dean Smith began his legal career in 1971 as an associate with Arent, Fox, Kintner, Plotkin and Kahn where he specialized in the field of antitrust and trade regulation law. From 1974 through 1978, he served as Deputy Chief of the Cable Television Bureau and as Associate General Counsel of the Federal Communications Commission. In both positions, he was the first Black person appointed to a policymaking position at the FCC since the creation of that agency. In 1978, Dr. Smith was appointed by President Jimmy Carter as Commissioner of the Equal Employment Opportunity Commission, where he also served for one year as Acting Chairman in President Ronald W. Reagan's Administration.

Dr. Smith began teaching at Howard University Law School in 1982 where he taught communications law, torts, administrative law, civil rights law, legal methods, and administrative process. In 1986, he was appointed Dean of the Howard University School of Law.

Dr. Smith is a former president of the Washington Bar Association. He became the first Black person to serve as the National president of the

Federal Bar Association since it was founded in 1920. He served in that capacity from 1980-81. Dr. Smith also served as Federal Bar Association representative to the American Bar Association House of Delegates from 1981-83. In 1981, Dr. Smith was selected by the Board of Trustees of Howard University to receive the "Outstanding Alumni Award" in the area of Law and Social Reform. In 1985, Dr. Smith received the highest award bestowed by the Nationl Bar Association, the C. Francis Stradford Award. Recently, he was elected as a Fellow to the American Bar Association Foundation and received the Ollie May Cooper Award from the Washington Bar Association.

Dr. Smith has filed several *Amicus* briefs before the Supreme Court and other federal courts and administrative agencies on civil rights and related issues.

Dr. Smith is a prolific author. He has published approximately 85 articles on a variety of issues, including torts, class actions, attorneys fees, legal history of Black lawyers, civil rights, and Haitian art. Most recently, he has prepared a bibliographical index on genetic engineering, and he is currently researching the history of Black lawyers in America in preparaton for a book. In addition to his numerous other activities, Dr. Smith has taught Church School at Asbury United Methodist Church for 20 years. He also served as President of the Friends of the D.C. Youth Orchestra Program.

12/4/86

TESTIMONY TO

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
COMMITTEE ON VETERANS AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1987

PRESENTED BY

CHARLES B. SAUNDERS, JR.
VICE PRESIDENT FOR GOVERNMENTAL RELATIONS
AMERICAN COUNCIL ON EDUCATION

Mr. Chairman and Members of the Subcommittee:

I am Charles B. Saunders Jr., Vice President for Governmental Relations of the American Council on Education.

ACE is the major coordinating body for higher education, representing the nation's large, small, public, private, two-year, four-year and graduate colleges and universities and their national associations. This constituency is large and diverse: a $100 billion enterprise accounting for about three percent of the Gross National Product, employing 800,000 instructional and research staff and one million administrative and support personnel in 3,300 institutions enrolling over 12 million students and serving millions more in public service programs.

On behalf of ACE, I am pleased to have this opportunity to testify in strong support of HR 1085, to make permanent the authority for the New GI Bill. This legislation is a high priority for the higher education community.

Just as the original post-World War II GI Bill sparked a broadening of opportunities which changed American higher education dramatically, so we believe that the New GI Bill promises to significantly assist research, industry, and the military services to obtain the talent they need to maintain America's security and international competitiveness. The early success of the legislation in its pilot stage stands as a remarkable tribute to its sponsor, Chairman Sonny Montgomery, and his colleagues on the House Committee on Veterans Affairs.

In a publication distributed to all members of Congress last month, A Higher Education Agenda for the 100th Congress, ACE identified the community's primary legislative objectives. Among those priorities, it urges renewal of the New GI Bill, with the following statement:

"In 1985, the new GI Bill was enacted as a three-year test program designed to meet the critical skill needs of the armed services and the reserves, and to enhance the lives of military personnel by helping them to pursue postsecondary education. It has already proved successful: tens of thousands of active duty, National Guard, and Reserve personnel have made a financial commitment to their future education under the program, and the quality of recruits has risen significantly. The higher education community strongly supports renewal of the legislation before it expires in June of 1988."

# STATEMENT OF FRANK MENSEL

Mr. Chairman, my name is Frank Mensel. I serve on the staff of both the Association of Community College Trustees and the American Association of Community and Junior Colleges, as manager of federal relations for both Associations. It is a special personal pleasure for me to appear at this hearing, Mr. Chairman, and to reaffirm to you and this Committee the strong support of the community colleges for the New GI Bill.

We are very pleased to see such tremendous appreciation in the House for the program's success, as shown by the more than 180 Members who are cosponsoring Chairman Montgomery's reauthorization bill, H.R. 1085, and to see the Senate Veterans' Affairs Committee moving as vigorously on reauthorization as this Committee is. You will be pleased to know that we already have written letters of appreciation to every cosponsor.

Community colleges have been very active in support of the New GI Bill since the original introduction of H.R. 1400 four Congresses ago. And our members have no cause to regret that support. It is clear to us that the New GI Bill is exceeding its expectations as a three-year pilot and is now making vital contributions to the national interest on at least three fronts: national security, postsecondary education access, and a more competitive American skill base.

The program's contributions to national security are underscored by marked improvements in the general quality of personnel entering the armed services, particularly the Army. We know these improvements are being graphically documented for you by the Army. If the White House continues to oppose the New GI Bill, it will do so in the face of strong evidence that the program is the key to the increasing success of an all-volunteer military.

A vital innovation in the New GI Bill is the college incentives it offers for Reserve and National Guard members who take six-year enlistments. Those of us who have supported this innovation from the beginning have often referred to it as an "up front" GI Bill. By allowing the Guard and Reserve enlistees to take college courses while serving their military obligation, the program gives the defense system the direct benefit of the enhanced skills -- this in contrast with the traditional GI Bill, in which the skill enhancement comes after the service. The more sophisticated our weapons systems become, the more dependent our security is on the skills of the personnel using them.

Mr. Chairman, this mixing of military service and college training strengthens both national security and the economy, in both the short and the long run. The college benefits that Guard and Reserve members receive during their enlistments are bound to strengthen their civilian careers. Many skills so gained will find their way sooner or later into civilian defense work, as well as benefit the military directly through extended enlistments. In many cases, they will do both.

A perhaps more subtle benefit of the New GI Bill is its potential for alleviating the competition among the military, employers and higher education for the reduced flow of high school graduates -- competition that poses hardships for all three sectors. In the jargon of affirmative action, great numbers of the Guard and Reserve enlistees who use their New GI Bill benefits will become "two-fers" and "three-fers." That is, they will be college students serving as part-time soldiers, whose training then may lure them into part-time employment as well.

It is worth noting, Mr. Chairman, that a recent analysis by Carol Frances, a consulting economist who is the former chief economist of the American

Council on Education, shows that the biggest single step that a working American takes up the pay ladder is the completion of the two-year college degree. It shows that a worker with a two-year college degree earns an average of 80 percent of what a bachelors degree holder earns, while the individual with only a high school diploma earns an average of just 70 percent of what a community college graduate earns. Many of the Guard and Reserve members who use the New GI Bill benefits in community colleges will pursue the technical training that fits the skill needs of the local military unit in which they serve. They are bound to see this as a way to better themselves in rank and pay within the military.

Finally, Mr. Chairman, we should not underestimate the importance of the New GI Bill to the American dream of universal postsecondary educational opportunity. With a marked decline in the purchasing power of student financial aid as measured against full costs of college attendance, increasing numbers of high school graduates are likely to turn to the New GI Bill as their surest path to a college education.

In summary, the community colleges are enthusiastic about the opportunities for greater productivity that the New GI Bill offers both to individual Americans and to the national economy alike. In its quickening quest for an economic competitiveness policy that will give this country the technical education and skill base it must have to meet the global challenge, Congress already has a cornerstone in place in the New GI Bill. We know this Committee appreciates this fact.

We thank you again, Mr. Chairman, and all your colleagues who have supported and are supporting the New GI Bill, and we applaud the dauntless leadership and vision of Congressman Montgomery in building this program. Please count on the continued support of the community colleges.

Committee on Veterans Affairs
of the
House of Representatives
on H.R. 1085

Testimony of Ms. Bertie Rowland
The National Association of Veterans Program Administrators
Office of Veterans Affairs
California State University, Chico

Honorable Mr. Montgomery, Chairman and Distinguished Members of the Committee:

I am Bertie Rowland, president of the National Association of Veterans Program Administrators (NAVPA). NAVPA is most grateful for the opportunity to share with you some of our thoughts, concerns and enthusiasm for the new GI Bill, under Chapter 30 and Chapter 106.

My testimony is to speak in favor of H.R. 1085, which extends the "New GI Bill" for active duty service persons under Title 38, Chapter 30 and for reservists under Title 10, Chapter 106.

NAVPA represents the directors of veterans educational programs throughout this country. We are in an excellent position to view the effects of the educational programs as we serve the students who partake of the various GI Bills and dependents educational assistance programs.

It is unquestioned that VA Educational Benefits have had a positive influence on our country. Veterans returning from WWII, KOREA, and VIETNAM used their GI BIlls to help them to readjust to the new and changing civilian employment opportunities. It is well documented that these programs have effectively paid for themselves many times over by increasing the overall productivity of the citizenry, and by subsequently returning increased tax dollars to the government. These programs not only provide readjustment benefits, but also encourage veterans to aggressively participate in today's technology.

Under the Veterans Education Assistance Program, this country attempted its first peace-time educational benefit package, and its return to an "all volunteer" service. While VEAP had some degrees of success, a poor participation rate served to highlight that the program did not attract the quality recruits required to staff our increasingly sophisticated military. The program had limited appeal. From the students' point of view, many of them could find adequate funding for college through utilization of Student Financial Aid--without taking years out of their lives to participate in the military.

The New GI Bill has a higher benefit rate than did the VEAP. With an 85% participation rate in the new bill, this difference is significant enough to indicate that it does attract educationally oriented recuruits. Furthermore, the New GI Bill encourages retention in the military services. If the serviceperson wishes to have more money for college and his or her subsequent readjustment to a civilian occupation, their lengthened commitment to the military will provide this funding. The "New GI Bill" has experienced great success and the Chairman of this committee has our appreciation for his work in this area.

Industry and educational institutions are interested in attracting the same group of young people that is targeted for recruitment by the military. The New Reservists GI Bill is very attractive to these individuals. It allows for the pursuit of an education while holding a job, contributing to the local community, and enjoying the satisfaction of service to one's country . . . all by the same individual. This incentive to serve in the reserves has been heralded as a success as demonstrated by the rising educaitonal level of the recruits, by a lengthening of the average enlistment period and by the increasing participation rate in the Chapter 106 program.

One of the elements which is generating support for the reservists GI Bill is it's overwhelming acceptance by the educational community. This acceptance is partly due to it's inclusion in the Veterans Educational Benefits delivery system. This system includes members of the Department of Defense, the Veterans Administration and the Veterans Affiars Offices at educational institutions. It is important to maintain the visibility and direct support that is generated through the VA and the IHL's. This established support network has proven to be a vital link in problem solving and satisfying the needs of the reservists on campus.

After service in the military, the educationally motivated veteran will begin or continue their academic career, and since the early eras of veterans educational benefits, the GI Bills have been viewed as a readjustment benefit. The returning veterans of every era have come home to observe that their peers have an advantage of several years in their jobs or professions. The NEW GI BILL in it's current delivery system will continue to offer support and readjustment to these returning veterans. It may be appropriate at this time to suggest that since benefit delivery is primarily after the serviceperson is discharged and that the targeted objective is readjustment and support, it is our feeling that funding should remain as currently budgeted through the Veterans Administration.

Implementation of Chapter 106, reservists GI Bill has been a success, however, we feel that the difficulties in the distribution process for the Notice of Basic Eligibility should be addressed to preserve the integrity of the program.

In conclusion, the National Association of Veterans Program Administrators is enthusiastic about the benefits of the New GI Bills. Their value has been demonstrated in the Department of Defense statistics and is currently proving itself on our campuses. We therefore support H.R. 1085 and the permanent installation of the New GI Bill.

We thank you, Mr. Chairman, for the opportunity to support this very worthwhile program.

# STATEMENT ON
# "THE NEW G.I. BILL CONTINUATION ACT"

## H.R. 1085
"to amend title 38, U.S.C.
to make permanent the New G.I. Bill..."

BEFORE THE
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
VETERANS' AFFAIRS COMMITTEE
U.S. HOUSE OF REPRESENTATIVES
18 FEBRUARY 1987

BY
ROBERT W. NOLAN
FLEET RESERVE ASSOCIATION
NATIONAL EXECUTIVE SECRETARY

Not to be released until made public
by the House Committee on Veterans' Affairs

FLEET RESERVE ASSOCIATION
*Serving Career Enlisted Personnel of the*
*U.S. NAVY • U.S. MARINE CORPS • U.S. COAST GUARD*
1303 New Hampshire Avenue, N.W., Washington, D.C. 20036
(202) 785-2768

## INTRODUCTION

Mr. Chairman and members of this distinguished Committee, I am Robert W. Nolan, National Executive Secretary of the Fleet Reserve Association. The FRA is a national military organization comprised of over 159,000 enlisted personnel of the United States Navy, Marine Corps and Coast Guard, active duty and retired. As a retired Navy Chief Petty Officer, it is my privilege to speak for not only my Shipmates but for all active duty personnel of the three Sea Services on the vital subject of making the New G.I. Bill permanent by law. As we learned on last Thursday and Friday when we toured the recruit training centers at Fort Knox, Lackland AFB, Orlando and Parris Island, young Americans entering the service today are vitally interested in furthering their formal education. For the vast majority of the several hundred recruits we talked to, education was their primary motivation for enlisting in the service, and earning educational benefits under the New G.I. Bill was the first step they could take to achieve their goal.

## PRESENTATION

Mr. Chairman, the Fleet Reserve Association has long been an active advocate of a peacetime program which affords young Americans the opportunity to obtain a higher education in exchange for a stated period of service in our armed forces. Exactly 22 years ago today I was involved in presenting the FRA's testimony in support of U.S. Senator Ralph W. Yarborough's (of Texas) Cold War G.I. Bill, S.9, before the Senate Committee on Veterans' Affairs.

G.I. Bills of the past were based upon the philosophy of rewarding those who served our nation in wartime by assuring them a measure of readjustment assistance as they returned to civilian pursuits. Based on 40 years of G.I. Bill experience, no one can question the overwhelming and total success of previous G.I. Bills.

However, to meet today's challenges, we must design and apply a New G.I. Bill philosophy. We want to assure the continuing success of the All Volunteer Force. In the cold reality of our shrinking national demographics, we must attract the best of our nation's youth to serve in our Armed Forces. This can be done equitably with cost-effectiveness by making the New G.I. Bill permanent law.

## THE NEW G.I. BILL'S PERFORMANCE TO DATE

Based upon the statistics over the period from 1 July 1985 through 30 September 1986, the New G.I. Bill is one of the most effective recruiting tools since the implementation of the All Volunteer Force. Over fifty-six percent of the eligible enlistees who have joined the military since 1 July 1985 have chosen to participate in the New G.I. Bill.

By comparison, analysis of the participation statistics of VEAP over an 8-year period reveals that only 37 percent of eligible enlistees participated in VEAP. What is even more revealing is that of the participating 37 percent, almost half, 48 percent, chose to withdraw and reclaim their contributions after a period of military service.

The following participation percentages show the overwhelming approval and acceptance of the New G.I. Bill:

| | **NEW G.I. BILL** | **VEAP** |
|---|---|---|
| Navy | 41% | 19% |
| Marines | 60% | 8% |
| Army | 74% | 20% |
| Air Force | 41% | 1% |

## FRA SUPPORT OF THE NEW G.I. BILL

The Fleet Reserve Association's total support of making the New G.I. Bill permanent law is based upon what the FRA has learned from active duty personnel. FRA's active duty members have voiced their full acceptance of the New G.I. Bill. The Sea Services' senior enlisted military leaders have informed us of the popularity of the new G.I. Bill with junior enlisted personnel. Naval Reserve officials state the Naval Reserve will be hurt significantly if the New G.I. Bill's termination date is not extended beyond 1988. The Naval Reserve and Marine Corps Reserve spokesmen say both Reserve groups have enjoyed a substantial increase in reenlistments and extensions because of the New G.I. Bill with corresponding increases in readiness and Unit stability.

The last week in January the FRA participated in hosting the U.S. Navy's "Recruiters of the Year Week" here in Washington, D.C. The Navy's top recruiters and recruiting commands were honored for their successful performance in 1986. We met and discussed Navy recruiting with the top 20 officer and enlisted recruiters of 1986. Each and every one of them unequivocally stated that the New G.I. Bill is their most attractive lure to young potential enlistees in the upper mental categories.

Because of these reports, FRA was delighted on 4 February 1987, to express its unqualified support for the passage of H.R. 1085's companion bill, S.9, before the Senate Committee on Veterans' Affairs.

## IMPRESSIONS OF THE NEW G.I. BILL GAINED ON A FIELD TRIP TO RECRUIT TRAINING CENTERS

Thanks to Chairman Montgomery, the FRA had the opportunity last week to experience the New G.I. Bill's acceptability among recruits of all Services. As you know, we were invited to accompany members of this Committee on a two-day field trip, 12-13 February 1987, to military recruit training centers at Fort Knox, Ky.; Lackland AFB, Tex.; Orlando, Fla.; and Parris Island, S.C. Allow me to relate our impressions gained on the field trip.

Each visit to a recruit center began with a briefing explaining that Service's policy, in compliance with the Department of Defense's directive, of informing the recruits of their New G.I. Bill benefits and allowing the individual recruit to make the decision on whether or not to participate. This was followed by attendance to a class of new recruits receiving their initial briefing on the New G.I. Bill. We were present for the entire class. Then our group interviewed a second group of recruits who had made their decision as to whether or not they would participate in the New G.I. Bill, and we would interview them as to their reasons for their decision. At each briefing, Chairman Montgomery's personality and remarks set the stage for an easy and free exchange of comments with the recruits expressing their opinions.

The following are the impressions gained during the two-day field trip:

1. The New G.I. Bill is attracting the brightest and best of young Americans to serve our country and most are joining the service for three or four years.

2. Almost ALL are high school graduates, and I was pleasantly surprised to see the comparative high percentage who already had earned college credits.

3. Young America is hearing of the availability of the New G.I. Bill. The recruits stated they had learned of it through a variety of sources: the local recruiter, through high school, from relatives and television ads.

4. The military Services' administration of informing the recruits of their New G.I. Bill benefits is very good and each Service is monitoring its performance and comparing its success with the success of the other Services.

5. It was obvious that this monitoring had caused changes in the individual Services' administration of their New G.I. Bill information classes to gain increased effectiveness and participation.

6. This on-going analysis by the Services is accompanied by a policy of adjustment in the explanation of the New G.I. Bill and the time the recruit has to decide on whether or not to participate. The wisdom of this flexibility being afforded to the Services is clearly demonstrated by the fact that since 30 September 1986, the Army has increased its participation rate from 74 percent to 77-78 percent and the Marine Corps has increased its participation rate from 60 percent to 72 percent!

7. We particularly noted that the spokesmen for the Services' Reserves and the National Guard were especially enthusiastic of the success the New G.I. Bill was bringing to their forces. All said that the availability of the New G.I. Bill benefits has increased their enlistments and reenlistments providing their Units with an unprecedented peacetime readiness and stability.

8 The candor evident in the remarks of the recruits who did not elect to participate in the New G.I. Bill. They asked pointed questions of the Chairman and Committee members. The primary reasons given for non-participation in the New G.I. Bill were:

   a. The feeling they could not afford to contribute the required $100 a month for 12 months. Almost all said if this contribution was a smaller amount over a longer period (e.g. $50 a month for 24 months) they would have participated.

   b. Many felt they did not have enough time in which to consider their decision.

   c. A few felt that they were going to make the military a career and would not need a college education.

The Committee members explained the realities of enacting legislation. Chairman Montgomery told each group that the New G.I. Bill law is due to expire on 30 June 1988. Therefore, the Committee's primary goal is to have the law become permanent first and then the Committee would consider the wisdom of amending the law. He assured the recruits their views and comments would be taken into consideration.

The Fleet Reserve Association agrees with Chairman Montgomery's priorities. Furthermore, the individual Services' monitoring and adjusting of their programs of explanation allows us to better evaluate the New G.I. Bill and its impact before addressing amendments to the law.

## CONCLUSION

Mr. Chairman, the Fleet Reserve Association was fully convinced of the New G.I. Bill's cost-effective contribution to the national security and future economic stability of our nation prior to embarking on the field trip to the Services' recruit training centers. The first-hand knowledge we gained by interviewing the recruits and our observation of the individual Services' information program adds to our conviction of the imperative need for the continuation of the New G.I. Bill as a permanent program.

Therefore, we urge you to enact the provisions of H.R. 1085 immediately so as to send young America the message that the New G.I. Bill is here to stay and to inform our military leaders they can continue to depend on the beneficial results of the New G.I. Bill in attracting and retaining the personnel needed to defend the United States.

We thank you for the opportunity to express our views today. It is because our representative form of government provides the opportunity to do so that we have willingly devoted a major portion of our adult lives to the defense and perpetuation of that government. On behalf of not only my FRA Shipmates, but our enlisted Sea Service personnel everywhere, I thank you. I will answer any questions you may have to the best of my ability.

STATEMENT BY

MAJOR GENERAL ANSEL M. STROUD, JR.

PRESIDENT

of the

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES

to the

Subcommittee on Education, Training and Employment

of the

House Committee on Veterans' Affairs

18 February 1987

Mr. Chairman, and members of the subcommittee, I appreciate this opportunity to appear before you today to present the views of the National Guard Association of the United States on H.R. 1085, a proposal to extend and make permanent the authorizing language of the New GI Bill. This is my first appearance before Congress in my capacity as President of the National Guard Association. I am pleased to use this occasion to express our strong support for continuing the very effective recruiting and retention entitlements of the New GI Bill. With me today are Lieutenant General LaVern E. Weber, Executive Director of our Association and Major General T. Eston Marchant, Jr., the Adjutant General of the State of South Carolina.

## THE ROLE OF THE NATIONAL GUARD

The initiation of the Total Force Policy in 1970 has had an "explosive" effect on the historical role of the National Guard in the defense of our nation. During the past 15 years DoD application of the Total Force Policy, along with encouragement from the Congress, has resulted in a significant increase in reliance on National Guard and Reserve forces. Today, the Army and Air National Guard are true full partners in the Total Force. Almost 50 percent of the Total Army fighting personnel are in the Army National Guard and approximately 26 percent of the aircraft in the Total Air Force are in the Air National Guard. Representation in specific areas is even greater, with 73 percent of Army infantry battalions and 73 percent of Air Force CONUS strategic interceptor forces in the National Guard. To meet its defense objectives, the nation relies on a well-equipped and well-trained National Guard.

## MANPOWER

Although equipment and training are essential ingredients of wartime readiness, the most important factor in producing combat-ready National Guard units is the ability to recruit and retain sufficient numbers of qualified personnel. While the National Guard has been able to meet its manpower goals in recent years, this will become a much more difficult task as the service age manpower pool continues to diminish. Increased reliance on the Guard will place even greater demands on recruiting and retention efforts. At the end of FY86, the ARNG had attained a strength level of approximately 446,900 and the ANG had achieved an end strength of 112,600. With programmed growth of 12,000 in the Army Guard and 4,100 in the Air Guard by the end of FY88, and continued growth programmed through FY92, the effectiveness of recruiting and retention efforts will be critical to maintaining the readiness of the National Guard and the Total Force.

## RECRUITING AND RETENTION INCENTIVES

There are a number of incentives that have been helpful in achieving required strength goals. They include enlistment and reenlistment bonuses; tuition assistance; and educational loan repayment programs. Some have been developed to serve a special purpose, and are targeted to specific critical skills or occupations, such as medical skills.

The bonus and tuition assistance programs are certainly important parts of the overall incentive package for recruiting and retaining high-quality targeted segments of the military population. They have been instrumental over the past few years in helping to reduce the shortage in many critical skill specialties. Their effectiveness has been hampered, however, by the limited period of authorization.

Those incentives that have proven to be effective should be made permanent. The lapse in authority for enlistment and reenlistment bonuses in late 1985 resulted in a great deal of turbulence and confusion. Authority will again terminate on September 30th of this year, if not renewed prior to that date, and the indefinite status of these programs is harmful to day-to-day recruiting activities. In addition, the tuition assistance program has been extended only one year, with limited participation, pending a DoD review of the program. We realize pay and incentives of Guard and Reserve members are under review by the recently activated 6th Quadrenial Review of Military Compensation group. We would hope its review would validate the need and effectiveness of the various incentive programs, however, the 6th Quadrenial Review of Military Compensation report to the President is not due until mid November -- too late to influence the authorization extension necessary on September 30th.

## THE NEW GI BILL

Although it is not targeted toward specific specialities, the New GI Bill Educational Assistance Program for the Selected Reserve has proven to be a valuable incentive for across-the-board recruitment and retention within the National Guard. By providing education assistance, it serves as a very effective attraction to college oriented individuals. It promotes the Guard/Reserve all-volunteer program by assisting in recruitment of high quality personnel. It also improves retention through the six-year enlistment/reenlistment requirement and by authorizing participation only while in selected reserve status. The success of the New GI Bill is probably best illustrated by the over 75 percent participation rate in the program by new active Army recruits, and by the average participation rate of more than 57 percent within all Active Services.

Specific data on the participation rate within the Guard and Reserve is not available because of the eligibility of both new recruits and six-year reenlistees. However, the information which is available indicates the Guard and Reserve program is as successful as that of the Active Services. Over 43,000 Guard and Reserve members were participating in the program as of the end of December, 1986. A recent National Guard survey indicated that 51 percent of recruiting and retention specialists considered the New GI Bill to be effective to "a very great degree" in recruiting new Guard members. Thirty-nine percent considered it to be equally as effective as a retention tool. Another 27 percent considered the New GI Bill to be effective to "a great degree" in both instances. Finally, the steady growth in Air National Guard six year enlistments/reenlist- ments/appointments, as a percentage of total enlistments/reenlist- ments/appointments, from 35 percent in FY 1984 to 48 percent in FY 1986 almost certainly reflects the value of the New GI Bill as a retention incentive.

The success of the New GI Bill as a recruiting and retention incentive certainly supports the proposed legislation making the program a permanent entitlement. The value to the military and the nation should far exceed the cost of the program, through higher retention, increased readiness, and eventual pay back through a higher-educated populace. The last point was made very clearly by the Speaker of the House in his response to the President's State of the Union Address on January 27th: "The very best financial investment this country ever made was the GI Bill of Rights at the end of World War II. It sent an entire generation of Americans to college. And our country has been reaping the benefits ever since. That program -- simply in greater taxes paid from higher earnings -- has actually repaid the Treasury about $20 for every dollar invested". In view of that statement, administration proposals to reduce New GI Bill benefits at this time would appear to be shortsighted.

## SUMMARY

The National Guard Association of the United States strongly urges passage of H.R. 1085 making the New GI Bill a permanent entitlement. The effectiveness of the program has been demonstrated by the high participation rates and longer enlistments during the test period. The cost of the program should be evaluated not only in relation to increases in manning and readiness but also as an educational investment. We are investing in individuals who devote their time and talents toward the nation's security and will very likely repay the investment many times over during their lifetimes.

The New GI Bill is an excellent recruiting and retention incentive and it should be made permanent.

STATEMENT OF
OF THE
AIR FORCE ASSOCIATION

PRESENTED BY
DAVID L. GRAY
EXECUTIVE DIRECTOR

HEARING BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
THE HONORABLE WAYNE DOWDY, CHAIRMAN

FEBRUARY 18, 1987

MR. CHAIRMAN I AM DELIGHTED TO HERE TODAY. AFA APPRECIATES THE MANY EFFORTS OF YOUR COMMITTEE TO SUPPORT VETERANS AND THE MEMBERS OF OUR ARMED FORCES.

THE AIR FORCE ASSOCIATION AT IT'S 1986 NATIONAL CONVENTION PASSED A POLICY PAPER WHICH STATES "THE AIR FORCE ASSOCIATION SUPPORTS: ESTABLISHING A PERMANENT EDUCATIONAL ASSISTANCE PROGRAM DEVELOPED TO MEET QUALITY MANPOWER NEEDS OVER THE LONG TERM, INCLUDING AIR NATIONAL GUARD AND RESERVE COMPONENTS."

THE AIR FORCE HAS FOUND THAT OVER 60% OF THEIR NEW RECRUITS SPECIFY EDUCATION AS ONE OF THE REASONS FOR ENLISTMENT. THE VAST MAJORITY OF THOSE WHO PARTICIPATE IN THE NEW G.I. BILL IN THE AIR FORCE ARE IN THE TOP TWO MENTAL CATEGORIES. THE NEW G.I. BILL HAS ALSO HAD A POSITIVE IMPACT ON THE SELECTED RESERVE AND IS THE STRONGEST REASON FOR ENLISTMENT IN THE SELECTED RESERVE. THE NEW GI BILL IS CLEARLY A SUCCESS.

THERE ARE, HOWEVER, A FEW MINOR CHANGES THAT MIGHT ENHANCE ITS ACCEPTABILITY AND SUCCESS. FOR EXAMPLE, THE AIR FORCE ASSOCIATION RECOMMENDS

- CHANGING THE AMOUNT AND DURATION OF MONTHLY CONTRIBUTIONS TO THE NEW GI BILL TO $60 PER MONTH FOR 20 MONTHS.

WE ALSO RECOMMEND

- GRANTING MORE DECISION TIME TO THE NEW RECRUITS -- DECIDING WHETHER TO OPT FOR THE GI BILL COULD BE THE LAST ACTION BEFORE LEAVING BASIC TRAINING.

  AN ENLISTEE DOES A LOT OF MATURING IN THE FIRST YEAR OF SERVICE.
- IF THE DECISION TO OPT-IN COULD BE TAKEN ANYTIME DURING THE FIRST YEAR OF SERVICE, I BELIEVE MORE WOULD PARTICIPATE.
- THE OPTION COULD, FOR EXAMPLE, BE LEFT OPEN DURING THE FIRST YEAR OF SERVICE AND START THREE YEARS OF OBLIGATED ACTIVE SERVICE - FOR FULL ELIGIBILITY - FROM DATE OF SIGN-UP.

- WHILE SOME ADDITIONAL NUMBERS WOULD OPT FOR THE BILL IF REFUNDS OR TRANSFERABILITY WERE OFFERED, I BELIEVE BOTH WOULD REDUCE THE INCENTIVE OF THE PARTICIPANT TO GO TO SCHOOL -- WHICH IS - AND SHOULD REMAIN - THE PRIMARY PURPOSE OF THE PROGRAM.

THE AIR FORCE ASSOCIATION BELIEVES THE G.I. BILL IS A BASIC BENEFIT AND IS INTENDED TO BE A READJUSTMENT BENEFIT BASED ON FAITHFUL AND HONORABLE SERVICE. ACCORDINGLY, THE GI BILL HAS HISTORICALLY BEEN FUNDED BY THE VETERANS ADMINISTRATION AND SHOULD CONTINUE TO BE FUNDED BY THE VA. HOWEVER, IF THE SERVICES DESIRE TO SUPPLEMENT THE BASIC BENEFIT WITH "KICKERS" TO AID IN RECRUITING, THESE SHOULD BE PAID FOR BY THE APPROPRIATE SERVICE.

ASSOCIATION OF THE UNITED STATES ARMY

2425 WILSON BOULEVARD ARLINGTON VIRGINIA 22201-3385 (703) 841-4300

Statement of

Colonel Edward P. Smith, USA (Retired)

Director of Membership Services

ASSOCIATION OF THE UNITED STATES ARMY

Before the

Subcommittee on Education, Training & Employment

House Veterans' Affairs Committee

18 February 1987

A Statement to the

Subcommittee on Education, Training and Employment

House Veterans' Affairs Committee

18 February 1987

I am COL Edward P. Smith, USA retired, of the Association of the United States Army. This association very much appreciates the opportunity to express its views on the legislative proposal to make permanent the current educational assistance test program for members of the armed services.

This association took a leading role in helping to win support in the Congress when reenstatement of the GI Bill was a major issue on your legislative calendar back in 1981 - 1983. We urged its adoption then and we do now again. We do so because this program is a proven winner - - - everyone benefits. The government benefits, the Services benefit, the youth of the country benefit, their hardworking, tax-paying parents benefit from this program, and our colleges and universities also benefit.

Benefits to the Government. We have all seen any number of studies which correlate personal income levels to education levels. Generally speaking higher levels of education mean higher income. For the government, higher incomes mean higher tax revenues to fund essential programs -- not exactly an unpopular result over here, as I understand it.

As to the question of cost to the government, the GI Bill is a winner here too. The latest estimate we have is $1 billion per year peak costs. If one compares this to costs in the Department of Education for loans and grants, currently estimated at about $8 billion, some idea of the government's bargain from the GI Bill begins to emerge. Add to this that, in most of the loan and grant programs, there is no other personal obligation on the part of the individual to the government. Two to 6 years of immediate duty in the Armed Services is the personal obligation under the GI Bill.

Finally, I think I should point out that the present GI Bill is not an outright grant. As you well know the service man or woman must contribute $100 per month for 12 months, and forfeit the entire $1200 if he/she later decides not to attend college. Incidentally, $100 per month from a current recruit's pay represents 16.9 percent of his monthly pay; not an insignificant amount.

Benefits to the Army. It is not my intention to repeat all the statistics that I know LTG Bob Elton, the Army's personnel chief, has or will shortly provide you. However, I think it important to point out to you that we have seen a number of very recent Army studies that convince us the following are significant benefits to the Army directly attributable to the GI Bill.

- Education benefits expand the available youth market.

- Education benefits are a stronger enlistment incentive for high-quality, College-Oriented youth than higher pay. (Please let me interrupt myself here and add parenthetically that with higher quality accessions comes reduced attrition presently equating to 13,000 personnel annually in the Army.)

- Over 35 percent of the high-quality male, high school graduates rated education benefits as the single most important reason for enlisting.

- Over 40 percent of the high-quality recruits would not have joined without the GI Bill and the Army College Fund.

Benefits to Youth. A college education is the dream of a large segment of our youth population — and their parents I might add. For many the cost is prohibitive, and for some they have not yet discovered a field of endeavor in which to focus their time, talent and effort. It seems to us that there is no more economical and socially constructive way for the government to apportion precious resources than to reward military service to the nation by providing the financial means for higher education of America's top quality young men and women. It is not a grant; it is not a give-away program; it is smart business.

At the beginning of my statement I mentioned that the GI Bill was also a benefit to parents of our college age youth. My guess is that practically everyone in this room over the age of 45 has had to face the cost of college bills to educate their children. For some of us the idea that son or daughter could earn money for college through a stint in one of the armed services was an answer. It even had the added attraction of perhaps teaching them self reliance and independence. Today's parents, I suggest, are not different; they recognize a bargain when they see it. The GI Bill is a bargain for all concerned.

Benefits to Colleges and Universities. Colleges and universities of our country are well aware of the impact of the GI Bill on their diminishing enrollments and budgets. This has nurtured the recently arrived at agreement between the Army and the Association of Collegiate Registrars and Admissions Officers which provides Army counselling and assistance to those leaving the service in getting their college placement lined up prior to departure from the service.

The turn around in the quantity and quality of men and women in the ranks that we have seen over the past few years obviously may not be attributed solely to the new GI Bill, which only became effective in July of 1985. The Congress has seen fit to provide many remedies in a number of areas which have combined to give us a fit and ready force. This Association, however, is convinced that a major contributor to the improved personnel situation in all of the services, and especially in the Army, has been enactment of the new GI Bill. We further believe that it will, if made a permanent program, be a major contributor in precluding any return to a "Hollow Army." I urge you to approve expeditiously this legislation now before the committee.

**EANGUS**
1 MASSACHUSETTS AVE. NW SUITE 101
WASHINGTON, D.C. 20001

# TESTIMONY

# OF THE

# ENLISTED ASSOCIATION OF THE NATIONAL GUARD

# OF THE UNITED STATES

## THE NEW GI BILL

BEFORE THE

HOUSE SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

FEBRUARY 18, 1987

ALAN D. OBERMILLER, CMS (Ret)
EXECUTIVE DIRECTOR
ONE MASSACHUSETTS AVENUE NW
WASHINGTON, D.C. 20001
Telephone: 371-1856

MR. CHAIRMAN, DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE, ON BEHALF OF THE 50,000 MEMBERS OF THE ENLISTED ASSOCIATION OF THE NATIONAL GUARD OF THE UNITED STATES, COMMONLY REFERRED TO BY ITS ACRONYM EANGUS, I WOULD LIKE TO EXPRESS OUR SINCERE APPRECIATION FOR THIS INVITATION TO PRESENT OUR VIEWS ON THE PROPOSED LEGISLATION FROM THE VIEWPOINT OF ENLISTED SERVICE.

WE ARE IN FAVOR OF, AND MOST STRONGLY SUPPORT, THIS EFFORT TO MAKE PERMANENT THE ADVANTAGES OF THE NEW GI BILL. AT THE SAME TIME, WE OPPOSE ANY ATTEMPT TO 'CHEAPEN' THIS PROGRAM THROUGH REDUCTION OF ENTITLEMENTS.

THE NEW GI BILL HAS BEEN REFERRED TO AS A BENEFIT OF MILITARY SERVICE, WHICH INDEED IT IS. BUT IS MUCH MORE THAN THAT, IT HAS BECOME THE CORNERSTONE OF OUR ABILITY TO ATTRACT AND RETAIN QUALITY PEOPLE IN THE RESERVE COMPONENTS. IT IS REQUIRED IF WE ARE TO CONTINUE TO MAINTAIN OUR ABILITY TO MAINTAIN STRENGTH AND EXPERTISE IN THE FACE OF SHRINKING MANPOWER RESOURCES. IT IS THE FOREMOST OF THE ATTRACTIONS

THAT ENABLE US TO INDUCE THE BEST OF OUR AMERICAN YOUTH TO SERVE IN OUR MILITARY SERVICES. ITS IMPORTANCE SIMPLY CANNOT BE OVER-EMPHASIZED.

TODAY, SOME 18,765 ARMY NATIONAL GUARD MEMBERS PARTICIPATE IN THE NEW GI BILL. ANOTHER 6,833 MEMBERS OF THE AIR NATIONAL GUARD ARE PARTICIPANTS; A TOTAL OF 25,598 IN THESE TWO RESERVE COMPONENTS ALONE. THESE ARE, I AM TOLD, THE LATEST AVAILABLE FIGURES. THIS REPRESENTS AN INCREASE OF SOME 9000 NEW PARTICIPANTS IN THESE SERVICES IN THE LAST SIX MONTHS. THERE CAN BE NO DOUBT OF THE PROGRAM'S APPEAL TO YOUNG AMERICANS.

YET THERE IS ANOTHER SIDE OF THE STORY - A STORY OF ACTUAL AND POTENTIAL CONTRIBUTIONS TO NOT ONLY NATIONAL SECURITY, BUT TO THE WELFARE AND QUALITY OF LIFE IN OUR NATION. THE CONCEPT OF A 'GI BILL', BORN OUT OF THE SUCCESSFUL CONCLUSION OF WORLD WAR II - AND EXTENDED FOR THE KOREAN CONFLICT AND VIETNAM - HAS CONTRIBUTED TO AMERICAN LIFE AS A WHOLE. RETURNING VETERANS OF THAT CONFLICT, RUSHING TO CATCH UP FOR THE FIVE YEARS LOST TO WAR, SEIZED THAT OPPORTUNITY TO PREPARE

THEMSELVES FOR A PLACE IN THE AMERICAN DREAM. TODAY, THOSE FIRST VETERANS, FORTY-SOME YEARS LATER, RUN CORPORATIONS AND BUSINESSES, DESIGN OUR MOST SOPHISTICATED AIRCRAFT, CONDUCT RESEARCH, ADVANCE COMMUNICATIONS, TEACH OUR CHILDREN, OFFICIATE FROM OUR PULPITS, AND - I DARE SAY - PERHAPS SIT IN THIS VERY ROOM TODAY IN THE HIGHEST OFFICES OF OUR GOVERNMENT. THEY ARE THE LEADERS IN ALMOST EVERY FACET OF OUR DAILY LIVES. THE ORIGINAL GI BILL - THAT OPPORTUNITY - PREPARED THEM TO ASSUME THOSE LEADERSHIP ROLES. THE NEW GI BILL WILL DO THE SAME FOR THE GENERATIONS TO COME. IT WILL HELP ALLEVIATE THE SHORTAGES WE NOW HAVE IN THE SCIENCES - ENGINEERING, MATHEMATICS, RESEARCH, SPACE TECHNOLOGY, COMMUNICATIONS AMONG OTHERS. IT WILL HELP PUT US BACK ON THE ROAD TO EXCELLENCE AND WORLD LEADERSHIP. THE CONCEPT OF EDUCATING OUR MILITARY MEMBERS HAS CONTRIBUTED BOTH TO MILITARY NEEDS AND PRIVATE SECTOR BUSINESS AND QUALITY OF LIFE. IT IS NO LONGER A QUESTION OF 'BENEFIT' OR 'ENTITLEMENT'; IT IS A QUESTION OF THE NATIONAL WELFARE. AMERICA REQUIRES EDUCATION TO PROGRESS. THE HISTORY OF THE GI BILL IS A PROVEN PATH IN THAT DIRECTION. IT MUST BE ENCOURAGED AND PERPETUATED.

TO THOSE THAT WOULD CUT BENEFITS UNDER PERMANENT ENTITLEMENT, AND AS A PRICE FOR IT, WE WOULD REMIND THEM THAT SOME PROGRAMS TRANSCEND SHORT TERM CONCERNS. WE ARE FULLY AWARE OF THE NEED TO CUT FEDERAL SPENDING - TO CONTROL THE COST OF GOVERNMENT - BUT THE IMPORTANCE OF EDUCATION TO THE FUTURE OF AMERICA APPROACHES THE IMPORTANCE OF THE INDUSTRIAL REVOLUTION AT THE TURN OF THE CENTURY, OR THE ADVANCEMENT OF MAN INTO SPACE. EDUCATION OF OUR YOUNG PEOPLE IS A PREREQUISITE FOR NATIONAL SURVIVAL. IT IS A NATIONAL RESOURCE THAT MUST BE DEVELOPED AND UTILIZED. WE MUST NOT FAIL TO RECOGNIZE THIS SIGNIFICANCE. THE NEW GI BILL IS PART AND PARCEL TO THE TOTAL EDUCATIONAL EQUATION. IT HAS PROVEN TO BE EFFECTIVE AND BENEFICIAL. CAN THERE BE ANY DOUBT ON WHAT WE MUST DO? THE NEW GI BILL MUST NOT FALL TO THE AX OF THE BUDGET CUTTER. IT IS SIMPLY TOO IMPORTANT.

ON BEHALF OF THOSE WHO MIGHT OTHERWISE NOT HAVE THE OPPORTUNITY OR MEANS TO ACHIEVE THEIR POTENTIAL - ON BEHALF OF THE ARMY AND AIR NATIONAL GUARD WHO NEED QUALITY PEOPLE TO OPERATE THE SOPHISTICATED SYSTEMS OF MODERN WAR TO SUCCESSFULLY ACCOMPLISH THE MANY MISSIONS ASSIGNED TO US IN THE NATIONAL INTERESTS - ON BEHALF OF OUR BELOVED

NATION WHO NEEDS THE DEDICATION AND EXCELLENCE OF HER CITIZENS TO CONTINUE OUR WAY OF LIFE - I RESPECTFULLY REQUEST YOU TO MOVE SWIFTLY TO PUT THIS VITAL PROGRAM INTO PERMANENT LEGISLATION TO INSURE SUCCEEDING GENERATIONS THE BENEFITS OF YOUR FORESIGHT AND RESOLVE.

THANK YOU.

Statement of
Major General Evan L. Hultman, AUS (Ret.)
Executive Director
Reserve Officers Association of the United States
Before the
Subcommittee on Education, Training and Employment
Committee on Veterans Affairs
United States House of Representatives
Concerning the Continuation of the New GI Bill
18 February 1987

Statement of Major General Evan L. Hultman, Army of the United States (Retired), Executive Director, Reserve Officers Association of the United States before the Committee on Veterans Affairs Subcommittee on Education, Training and Employment, concerning the continuation of the New GI Bill--18 February 1987

Mr. Chairman and Members of the Subcommittee:

The Reserve Officers Association (ROA) appreciates being provided this opportunity to express our support for legislation, introduced by the distinguished Chairman of the Committee on Veterans Affairs G.V. "Sonny" Montgomery, which, if enacted into law, will continue the New GI Bill beyond its current June 1988 termination date.

As this subcommittee knows, three years ago ROA worked with many of you in support of a new GI Bill. We believed that the then existing VEAP educational program was not doing the job, and that a new GI Bill of the type that was under consideration, and which became law as a test program, would have a beneficial impact on recruiting, retention and on the quality of the force. We also believe that we have been proven right on all three counts.

All reports that ROA has received indicate that the New GI Bill has been a great success. In fact, when continued funding for this program was not included in the administration's budget request for FY87, ROA's Mid-Winter Conference adopted an emergency resolution urging the administration "to abandon any initiatives to terminate the New GI Bill and urging the Congress to continue, extend, and fund this effective educational assistance program." We were pleased that the Congress did take the necessary action to fund the GI Bill for FY87 and we strongly support the legislation under consideration today which will delete the termination date of 30 June 1988 for the current GI Bill and change its status from a test program to that of an ongoing military service based educational assistance program.

The GAO has reported that Army statistics show a marked recruiting improvement under the New GI Bill and data obtained from the Reserve and National Guard components of the Army and Air Force also show improvements in enlistment, reenlistment and retention statistics since the start of the New GI Bill.

The attractiveness of this program to the individual service member is clearly illustrated by the fact that in the active Army, during the period of July 1985 to September 1986, 74% of those eligible enrolled in the program. In the Army Reserve components, for the same time frame, over 21,000 applied for the New GI Bill benefit. These were reserve component members who had entered a 6 year obligation and had completed 6 months service as well as their military skill training. Significantly, there was an increase of six-year enlistments during the first fifteen months immediately following enactment of the New GI Bill.

Chartered by the Congress with a goal of furthering national security, ROA supports the New GI Bill as a recruiting benefit applicable to the total force. As a voice for Reserves, we would be remiss in not emphasizing the importance of the program for the reserve component. The New GI Bill provides the first comprehensive educational assistance program to members of the reserve component; without the Bill, Reserves would be without eligibility for assistance. Given the shrinking number of persons eligible for military service, competition from the private sector, and the high retention rate of the active component, the importance of this educational assistance cannot be overemphasized. At a time when budget cutting calls for more and more responsibilities to be shifted to the Reserve, the need for recruiting and retaining highly qualified men and women in the reserve component has never been greater.

The quality of recruits is equally as important as the increases in numbers. The New GI Bill appeals to the most capable young men and women, those who take education opportunities more seriously. During FY 1986, 5 percent more Selected Reserve non-prior service accessions were high school graduates than in FY 1984. This is a significant improvement in the quality of non-prior service recruits and can be attributed in part, if not wholly, to the appeal of the New GI Bill.

The Reserve Officers Association believes the New GI Bill is good not only for the services and the individual service member, but is also good for our country. If we are to remain vital and competitive in today's world, an educated population is essential. This is recognized by the large amount of dollars that go for non-military service related educational loans and grants. For example, the Department of Education spent over $3.8 billion in Pell Grants just in FY85, and that is for a GI Bill without the "GI". ROA believes that if an individual wants to serve his country, either in the active or the reserve components, it is highly appropriate for that service to be recognized through an educational assistance program. Thus, we as an association applaud this subcommittee for the consideration it is giving to deleting the termination date for the New GI Bill. ROA supports the goals and objectives of the legislation proposed to make the New GI Bill a permanent program.

Thank you for the opportunity to present ROA's views. Your support for the men and women who are wearing and have worn the uniform of our country, both active and Reserve, is deeply appreciated. We will be happy to address any questions that you may have.

# STATEMENT OF THE MILITARY EXECUTIVE
# OF THE RESERVE FORCES POLICY BOARD,
# OFFICE OF THE SECRETARY OF DEFENSE

MAJOR GENERAL WILLIAM R. BERKMAN
UNITED STATES ARMY

BEFORE THE SUBCOMMITTEE ON EDUCATION,

TRAINING, AND EMPLOYMENT OF THE

COMMITTEE ON VETERANS' AFFAIRS

HOUSE OF REPRESENTATIVES

FIRST SESSION 100TH CONGRESS

FEBRUARY 18, 1987

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE VETERANS' AFFAIRS COMMITTEE

Mr. Chairman and members of the committee:

It is a pleasure to appear at your invitation to present the views of the Reserve Forces Policy Board on the New GI Bill for the Selected Reserve.

The Reserve Forces Policy Board (Board) is by statute the "principal policy adviser to the Secretary of Defense on matters relating to the reserve components." (10 USC 175(c)). The Board is chaired by the Honorable Will Hill Tankersley and has as members general/flag officers from each of the service Reserve Components, their Active Components, and the Assistant Secretaries for reserve affairs.

The Annual Report of the Board for Fiscal Year 1986 was recently submitted by the Secretary of Defense to the President. The report reviews the current status of our Reserve Components which are now essential elements of our Total Force and vital to our national security. The report states:

> "One of the most critical factors in achieving force readiness is the ability to meet the Selected Reserve personnel requirements, both in quantity and in quality."

Because the New GI Bill has proved an effective factor in achieving Selected Reserve quantity and quality, the Board for over two years has recommended that the New GI Bill for the Selected Reserve be continued.

The Principal Deputy Assistant Secretary of Defense (Reserve Affairs) put it well in testimony before the Senate Veterans Affairs Committee on February 4, 1987:

> "In the current recruiting environment, our readiness and manpower objectives for the Reserve Components present a challenge -- one that can be met only if we have the proper set of force management tools. The New GI Bill is but one of these tools. And, when combined with other targeted incentives and entitlements, the GI Bill will permit us to attract and retain the numbers and quality of people we must have."

Those views were confirmed last week during a field trip by some members of this committee to training centers of each service: Fort Knox, Kentucky; Lackland Air Force Base, Texas; Naval Training Center, Orlando, Florida and Marine Corps Training Center, Parris Island, South Carolina. I was pleased to participate in that field trip. At each location representatives of the Reserve Components emphasized that the New GI Bill for the Selected Reserve was an important factor in recruiting and retention improvements. The result is soldiers, sailors, airmen, and marines in the Selected Reserve in the quantity and quality we require.

Those are the reasons that the Board recommends continuation of the New GI Bill for the Selected Reserve on a permanent basis.

Thank you Mr. Chairman.

NCOA

NATIONAL CAPITAL OFFICE
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# THE NON COMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES OF AMERICA

"STRENGTH IN UNITY"

NCOA

STATEMENT OF

Richard W. Johnson
Director of Legislative Affairs

before the

Subcommittee on Education, Training and Employment
Committee on Veterans Affairs
U.S. House of Representatives

on

The New G.I. Bill

February 18, 1987

The New G.I. Bill is a remarkably successful program in meeting its objectives. Already members of reserve components are using its benefits and, in less than two years, many other veterans will begin training under the program. Its benefits, although not overly generous, should assure the opportunity of a college education to thousands of young men and women who have served their nation. Indeed, the New G.I. Bill is a program of which its sponsors should be proud. Yet NCOA has several ideas which we believe will make the program better.

Foremost, NCOA believes Congress should act to eliminate the June 30, 1988 cut-off date for enrollment under the new program. The program should be made permanent. Additionally, the association believes the treatment of career servicemembers should be modified to provide benefits under the program to some who are excluded by the circumstances of the test. NCOA believes the enrollment fee should be eliminated or modified to allow greater participation and believes servicemembers eligible for the Veterans Educational Assistance Program (VEAP) should be allowed to participate in the New G.I. Bill. Finally, the association objects to the transfer of G.I. Bill funding to the Defense Department. Frankly, NCOA does not believe the Defense Department would sustain the program. The first and last of these recommendations are the most immediate concerns.

### Extending the Program

While there is no disputing the success the New G.I. Bill has had in achieving its secondary objective of assisting in military recruiting, NCOA believes its primary objective of assisting veterans in obtaining an education is the most important benefit of the program. Certainly the New G.I. Bill produces smarter soldiers. Recruiting in both quantity and quality has soared since the program was created. More than 90 percent of new recruits are high school graduates and more than 90 percent are in mental categories I to III, the most desirable and trainable recruit. Yet, more important than the quality the program brings to the armed forces is the quality of citizens it creates and the quality-of life it provides for veterans.

This nation's success is a product of previous G.I. Bills. How many members of Congress would hold their seats today if not for their G.I. Bill education? If we took all the G.I. Bill trained engineers out of the space program, would the U.S. still be reaching for the moon? How much tax revenue would have been lost; how many colleges would have closed; how many veterans would be struggling to feed their families because they lacked the education or training opportunity offered by the G.I. Bill? The questions are impossible to answer. Indeed, we are fortunate that we will not know the answer. But if the New G.I. Bill is allowed to expire, the next and future generations may know the answer.

NCOA believes the veteran should be the first to benefit from the billions of dollars spent annually to support post-secondary education. From 1976 until 1985 Congress spent billions on a G.I. Bill without the G.I. Allowing this program to expire would return us to that sad state.

### Funding

Transferring funding responsibility from the VA to the Defense Department might have an effect equal to the terminating of the program however. The current VA budget proposal suggests this change which NCOA adamantly opposes.

During the creative process leading to enactment of the New G.I. Bill, the Defense Department sought authority to use the program as a selective recruitment tool; offering its benefits only to those who would join the service for no other reason. Having failed, DoD sought to create in the program a trigger mechanism allowing service secretaries to turn the program on and off with swings in recruiting. Last year DoD and OMB sought to have the New G.I. Bill terminated before the test was barely six months old. And, only a few weeks ago it was announced that DoD was working on a plan to reduce benefits under the new program $100 per month after three years of service for those who enlist after July 1, 1988.

Clearly, DoD does not recognize the social value of the program, nor does it recognize the need of veterans. NCOA believes that the basic benefits of education should accrue equally to all who serve. Its value to veterans and the nation make it an infinitely desirable program. Accordingly, NCOA urges that funding of the basic benefits be continued as a readjustment program of the Veterans Administration.

## Pay Forfeiture

In the Democratic response to the President's State of the Union address House Speaker Jim Wright specifically praised prior G.I. Bills as "the very best financial investment this country ever made." He went on to say the program "...has actually repaid the Treasury about $20 for every dollar invested." That return should be enough!

NCOA continues to object to provision requiring a pay forfeiture of $1,200 among participants for one fundamental reason. It discriminates against soldiers, sailors, airmen, Marines and coast guardsmen whose financial obligations do not allow them to participate. Recruits who join the service today make $608.40 per month during the first four months of service. The average first year earnings of most recruits is about $7,700. If they participate in the G.I. Bill, that drops to $6,500, a below minimum wage income for an individual who works a forty hour week. But any servicemember would be grateful for a workweek of only 40 hours. As a result many recruits who have mothers, wives or children to support cannot participate. No matter how great their desire they are out. They are locked in a cycle like so many other disadvantaged individuals, lacking the opportunity of even the G.I. Bill to escape. Accordingly, NCOA urges the committee to eliminate the fee for participation in the basic program.

At least, as an alternative, NCOA believes the committee should make the contributions refundable and should extend the period of time over which the contributions can be made. Some individuals might be comfortable making $400 monthly payments during their first three months of service while they are isolated in recruit training while others may be comfortable making payments of only $25 per month over the course of a four year enlistment. There is no profit in the current payment system and no discernable advantage to retaining it. Concurrently, NCOA does not understand the logic of not refunding the pay forfeitures of those who do not use the program.

Government need not profit from the G.I. Bill other than to produce better citizens through education and better servicemembers through enticement. Neither should the program become a veterans helping veterans program, supported by its participants as the Administration would like to do with the VA Home Loan Guaranty Program. Those who subsequently decide not to participate should be refunded their money. At least refunds should be given to those who cannot participate because of hardship or disability and to the survivors of those who die before using their benefits. However, NCOA would endorse legislation delaying refund eligibility to one year after discharge to discourage young veterans from using the refunds unwisely.

## Eligibility

In addition to creating a necessary replacement for the Veterans Educational Assistance Program (VEAP) the New G.I. Bill was in part created to stem the hemorrhage of talented noncommissioned and petty officers who were leaving service to use benefits they earned under the Vietnam Era G.I. Bill. The new G.I. Bill provides benefits to those individuals who remain on active duty until June 30, 1988 to replace the loss of those benefits. Unfortunately, there is a group of servicemembers caught in a vacuum between the old and new G.I. Bills. Because of service regulations and federal law many servicemembers have been or will be required to leave service before becoming eligible for benefits under the new program but without sufficient time to use the benefits of the old program. Most servicemembers are forced to retire or accept discharge on the basis of a compression of their rank and years of service. For example, an E-6 who fails selection to E-7 may be discharged at 24 years of service. If that individual completes 24 years of service between July 1, 1985 and June 30, 1988, some education benefits will be lost. Accordingly, NCOA urges the committee to provide benefits under the new program (after 1989) to any individual who retires from service for longevity during the current test period.

Finally, NCOA urges the committee to reconsider the issue of later participation by individuals who do not enroll in the New G.I. Bill during their first enlistment and the eligibility of certain VEAP participants. The underlying principle behind the new G.I. Bill is an exchange of education benefits for honorable service in the armed forces. In part it is designed to encourage quality soldiers to reenlist. NCOA therefore believes it would be logical to allow those who have not previously participated in the program to reconsider upon any reenlistment. The armed forces will benefit from the continued service of an experienced noncommissioned or petty officer. Additionally, the servicemember will have an opportunity to reconsider a decision more maturely. If pay forfeitures are retained as a part of the program they will likely be more manageable for the experienced servicemember and conversion of previous contributions could pay for the participation of VEAP eligibles.

## Conclusion

The New G.I. Bill in the association's opinion is a tremendous asset to the nation as a veterans benefit. Its sponsors and supporters should be commended. However, NCOA believes the program should be modified as outlined in this statement to eliminate the fee which discriminates against the participation of many; to accommodate the career servicemember caught in the void between education programs; and, to make the benefits of higher education available to those who continue in service. NCOA also urges the committee to advance legislation making the program permanent and retaining its funding as a function of the Veterans Administration.

STATEMENT BY
CAPT CHARLES A. BUESENER
U.S NAVAL RESERVE
DIRECTOR OF LEGISLATION
NAVAL RESERVE ASSOCIATION
TO THE
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
HOUSE COMMITTEE ON VETERAN'S AFFAIRS
18 FEBRUARY 1987

Mr. Chairman, Committee Members, the Naval Reserve Association appreciates the committees invitation to present our views concerning the proposed legislation which would make the New G.I. Bill contained in Title VII of Public Law 98-525 a permanent program.

The Naval Reserve has seen, over the past several years, increased tasking and assignment of wartime responsibilities as the Total Force has grown in size and complexity. The Naval Reserve Force today provides 100% of the combat search and rescue, 100% of the light-attack helicopter squadrons, 100% of U.S. based logistic support squadrons, 86% of the cargo-handling battalions, 68% of the Naval Mobile Construction Battalions. In the hyper-critical area of anti-submarine warfare, the Naval Reserve provides 35% of the long range maritime patrol squadrons, 21% of the ASW helicopter squadrons and 26 ASW/AAW

By the early 1990's the Naval Reserve will be the 10th largest navy in the world. I would hasten to point out that the Naval Reserve, in addition to providing wartime surge capability is also a peacetime "force multiplier" with reserve aircrews and ships routinely deployed fulfilling the peace time operational commitments in support of our national maritime objectives.

This increased reliance on Reserve Force capabilities is both cost-effective for the nation and welcomed by the Naval Reservist.

The Naval Reserve over the next few years is scheduled for continued growth reaching a total Selected Reserve end strength of over 161,000 by FY 89 or a growth of 20,000 in three years. This growth is almost exclusively "high tech" growth, that is because the requirements are based on the a) expansion of health care professional segment of the Naval Reserve and b) the continued transfer of

INCREASINGLY SOPHISTICATED WEAPONS SYSTEMS INTO THE RESERVE FORCE.

THE RESERVE FORCE IS BY ITS VERY NATURE THE "MOST VOLUNTARY" SEGMENT OF THE TOTAL FORCE. COMPRISED MAINLY OF FLEET VETERANS RECRUITING AND MORE IMPORTANTLY RETENTION IS OF VITAL IMPORTANCE. THE ENACTMENT OF THE NEW G.I. BILL HAS WITHOUT QUESTION BEEN THE MOST IMPORTANT FACTOR IN RESERVE FORCE GROWTH AND STABILITY. IT HAS PROVIDED THE MOST EFFECTIVE INCENTIVE FOR THE RETENTION OF THE QUALITY PEOPLE ABSOLUTELY ESSENTIAL TO OUR INCREASED READINESS. AS WE APPROACH THE KNOWN SHORTAGE OF DRAFT ELIGIBLE MALES IN THE EARLY 90'S THE NEW G.I. BILL SIMPLY MUST BE MADE PERMANENT IF FORCE MANNING REQUIREMENTS ARE TO BE ACHIEVED.

IN OUR VIEW, AN OFTEN OVERLOOKED FACTOR BOTH IN TERMS OF DOLLARS AND REDUCED READINESS ARE THE INCREASED TRAINING COSTS ASSOCIATED WITH A RAPID AND ENDLESS FLOW OF PEOPLE THROUGH THE RESERVE UNITS. THE NAVAL RESERVE ASSOCIATION IS CONVINCED THAT THE STABILITY INDUCED BY THE NEW G.I. BILL WILL MORE THAN OFFSET THE EDUCATIONAL COSTS ASSOCIATED WITH THE PROGRAM BY SIGNIFICANTLY REDUCING THESE "FLOW" ASSOCIATED TRAINING COSTS.

THE NAVAL RESERVE ASSOCIATION STRONGLY ENDORSES THIS PROPOSED LEGISLATION AND QUITE FRANKLY DOES NOT BELIEVE THAT FUTURE RESERVE FORCE MANNING AND READINESS OBJECTIVES CAN BE ACHIEVED WITHOUT IT.

:DS

Statement of

Colonel Charles C. Partridge, USA (Ret)

Legislative Counsel

The National Association for Uniformed Services

Before the

Subcommittee on Education, Training, and Employment

Committee on Veterans' Affairs

U. S. House of Representatives

February 18, 1987

## H.R. 1085, The New GI Bill - A Permanent Program

Mr. Chairman, and members of the Committee, I welcome the opportunity to present the views of the National Association for Uniformed Services on legislation to make the new GI Bill permanent.

The National Association for Uniformed Services' (NAUS) membership represents all grades and ranks of career and non-career service personnel and their spouses and widows. Our membership includes active, retired, and reserve personnel of all seven uniformed services: Army, Navy, Air Force, Marines, Coast Guard, Public Health Service, and the National Oceanic and Atmospheric Administration. With such membership, we are able to draw information from a broad base for our legislative activities.

The need for a permanent GI Bill for military personnel is great and growing. The current GI Bill has already proven in the test period that it is a great success as a readjustment device and a recruiting incentive. It provides a basic benefit administered by the VA for all personnel in recognition of their service to their country and provides the military services with the option of further special financial supplements or kickers as necessary to obtain hard to recruit skills. It has done more than any other recruiting incentive to attract top quality young men and women into our Armed Forces.

The proposed measure provides for the continuation of the New GI Bill beyond the June 30, 1988, expiration date. The New GI Bill is contributory, requiring a decision by the entering recruit to contribute $100 per month for 12 months. It will return a basic benefit to the soldier of $9,000 after two years of service and $10,800 for three years active duty service. The basic benefit is funded by the Veterans Administration. Reduced benefits are provided for individuals enlisting or reenlisting in the Selected Reserve or National Guard.

In addition, through programs such as the Army College Fund, a recruit may earn kickers for enlisting in the hard to recruit skills the services need. Beginning in 1985, an ROTC option was also offered in conjunction with the GI Bill.

The so called kickers are aimed at recruiting rather than readjustment, and are appropriately funded by the Department of Defense based on military personnel requirements.

As ambitious, public spirited, dedicated young men and women leave military service after two or more years, they face an increasingly competitive workplace and from their perspective, in many instances they are behind their contemporaries in civilian related skills.

The nation can repay the veteran for this dedicated service and delayed entry into the civilian job market by providing the GI Bill as a reward for his service and to prepare him educationally for the future. This could include service at a higher level in the military through ROTC or through advancement to senior non-commissioned officer status.

The cost effectiveness of the GI Bill as a readjustment benefit has been amply demonstrated over the years in terms of additional taxes as a result of increased earnings by veterans who otherwise would not have attended college. With our nation seeking to increase its competitiveness vis-a-vis other nations, the GI Bill has become an even more significant part of our national effort to become more productive and therefore improve our competitiveness in world markets.

In addition, there are more immediate and more readily apparent benefits which accrue to the military services. The GI Bill attracts a high percentage of college-oriented youths in the high-quality mental categories I-IIIa. These high quality recruits are:

- more likely to complete their enlistments, thus reducing the number of recruits needed.
- Are more easily trained, thus reducing training time and providing a spark of leadership in the enlisted ranks. This provides commanders with the opportunity to reenlist these high-quality personnel who would not have been available for reenlistment otherwise.
- Less likely to go AWOL or to desert. This population has lower crime rates and a lower incidence of drug abuse, resulting in savings in management time, reduced personnel turbulence, and savings in training time.

Studies by the Department of the Army show that the increased number of high school graduates recruited as a result of the GI Bill produced savings of about 13,000 personnel, and cost savings of approximately $200,000,000 annually as a result of lower attrition rates. Further, high quality soldiers perform about ten percent better than other soldiers and provide an example for all soldiers.

As the military services face a rapidly dwindling pool of 18 to 23 year olds, the GI Bill becomes even more important as an incentive to serve.

In recent studies, education benefits were found to be a stronger incentive for high-quality, college-oriented youths than higher pay. Thirty-seven percent of high-quality male, high school diploma graduates rated educational benefits as the single most important reason for enlisting. Forty-three percent of high-quality recruits would not have joined without the GI Bill.

Participation rates by new recruits in the New GI Bill have increased to 85 percent in the Army, 65 percent in the Marine Corps and 50 percent in the Navy and Air Force.

The Army Recruiting Command reports that education benefits increase the pool of potential applicants by 500,000 high-quality young people.

Some analysts say that the GI Bill encourages soldiers to leave the service after their initial period of service. This is contrary to the military services' experience. The GI Bill encourages a higher quality recruit to enter. Significant numbers of them stay for full careers, thus providing a high-quality, professional soldier and leader which the military would not otherwise have attracted. Of those who do not remain on active duty, many will go on to college and enroll in ROTC, while others will join National Guard or Reserve units. With the reserve components playing an increasing role in mobilization and readiness, the GI Bill is an important part of their recruiting effort.

For all of the above reasons NAUS urges you to make the GI Bill a permanent program; continue the basic benefit as a readjustment benefit funded and operated by the VA, and allow the military services to enrich the program for recruiting purposes.

The nation, its armed forces and the veteran will all be the beneficiaries.

STATEMENT

BY

RUDY I. CLARK

DIRECTOR

MILITARY AND GOVERNMENT RELATIONS

AIR FORCE SERGEANTS ASSOCIATION

BEFORE

THE

SUBCOMMITTEE

ON

EDUCATION, TRAINING AND EMPLOYMENT

OF

U.S. HOUSE OF REPRESENTATIVES

ON

THE NEW G.I. BILL

FEBRUARY 18, 1987

**Air Force Sergeants Association**

INTERNATIONAL HEADQUARTERS, POST OFFICE BOX 31050, TEMPLE HILLS, MD 20748

Mr. Chairman, and distinguished members of the panel, thank you for the opportunity to present the views of the Air Force Sergeants Association with respect, the proposal to make the New G.I. Bill a permanent program.

Sir, there is solid proof that the New G.I. Bill is a potent recruiting tool, however; the present success in recruiting quality young men and women could be jeopardized by changing conditions in the future -- conditions for which we must be prepared or suffer the consequences. With a diminishing manpower pool throughout the decade of the 1980s and into the 1990s, the risk in trying to cut corners in compensation for military personnel cannot be ignored.

The New G.I. Bill is a proven winner. Unlike the VEAP program which produced a dismal 6 percent average participation rate for Air Force recruits during its six and one-half year tenure, the New G.I. bill has attracted a solid 42 percent participation rate.

Based on my conversation with enlisted men and women at numerous Air Force bases, we feel there is an opportunity to double the 42 percent sign-up rate by making a few minor modifications to the existing program.

First, we would ask this subcommittee to consider reducing the airman's monthly contribution from $100 to $60 and spread the payments out over a 20-month period. When you consider that $100 a month represents almost 20 percent of an airman's pay, after taxes, that presents a difficult decision for a new recruit to make upon entering military service.

The second modification needed to attract more participants is to allow the services to refund contributions to the member if he or she decides not to utilize the New G.I. Bill after separation from the service. Also, if the servicemember should die, the monies he or she contributed should be refunded to the beneficiary.

Sir, we urge this subcommittee to consider these recommendations to improve the Air Force participation rate.

Mr. Chairman, one of your distinguished colleagues, the Honorable Bill Armstrong from Colorado, summed up the value of the New G.I. Bill when he made the following comment:

> "The G.I. Bill should not be viewed solely as a recruitment measure. The G.I. Bill is an investment in America's future, one from which everyone benefits -- the beneficiaries who obtain a college education, the colleges and universities they attend, our society as a whole."

This concludes my statement and, again, thank you for this opportunity to appear before this subcommittee. I am prepared to respond to any questions you or your distinguished colleagues may wish to pose.

VETERANS OF FOREIGN WARS OF THE UNITED STATES

OFFICE OF THE DIRECTOR

STATEMENT OF

DENNIS M. CULLINAN, ASSISTANT DIRECTOR
NATIONAL LEGISLATIVE SERVICE
VETERANS OF FOREIGN WARS OF THE UNITED STATES

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
OF THE
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

ELIMINATION OF THE NEW GI BILL EXPIRATION DATE

WASHINGTON, D.C. FEBRUARY 18, 1987

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you for this opportunity to present the views of the Veterans of Foreign Wars of the United States with respect to proposed legislation which would amend Title 38 USC to remove the expiration date for eligibility for the educational assistance programs for veterans as contained in title VII of Public Law 98-525. This proposed legislation enjoys the full support of the Veterans of Foreign Wars inasmuch as it would indefinitely extend a program which is both a potent recruiting tool for the Armed Forces and is also an invaluable readjustment benefit, facilitating the transition of those members of the Armed Forces who elect to return to civilian life.

As you know, the VFW has long stood for a strong national defense. We firmly believe that the very foundation of our ability to protect and defend our country lies in a strong and capable troop force which is ready, willing and able to respond to the civil and martial exigencies of this modern age.

★ WASHINGTON OFFICE ★
VFW MEMORIAL BUILDING ● 200 MARYLAND AVENUE, N.E. ● WASHINGTON, D. C. 20002 - 5799 ● AREA CODE 202-543-2239

We believe that our Armed Forces are now in a position to do just this, and the New GI Bill is playing an essential role in achieving and maintaining this crucial capability. Data collected on the program leave no doubt that the New GI Bill is directly responsible for dramatic gains in military recruitment and retention, allowing our nation to maintain and improve strength levels for both active duty and reserve forces while avoiding a return to the draft.

We of the VFW are convinced that the New GI Bill is dollar for dollar the most cost-effective means of recruitment now in existence. The Army has stated that the New GI Bill is saving it about $234 million a year in military personnel cost. These savings come from attracting more intelligent and highly motivated people into the military. And these are exactly the people needed to serve in our modern, high-tech Armed Forces.

We point to the fact the size of this program in dollars in return for service to the nation pales in significance when compared to the massive Pell Educational Grant program of close to four billion dollars annually. Pell Grants are provided with no expectation of service to the nation whatsoever in contrast to the New GI Bill which directly benefits both the participant and the country.

There can be no doubt about it, the New GI Bill is, across the board, the best educational incentive the Department of Defense has to offer today. Furthermore, this educational benefit program is paying for itself by improving recruiting quality and reducing turnover in personnel.

Along with providing a highly motivated and capable Armed Forces, drawn from a full cross section of the population, the New GI Bill's indirect benefit to the nation is also profoundly felt. Increased taxes paid on increased income more then repays the cost of this educational benefit.

The New GI Bill is a low cost and highly patriotic means for this nation's young people, who could not otherwise afford it, to further their education and then fully achieve their potential both as mature individuals and as informed citizens. Which brings us to address one of the more important aspects of the New GI Bill, namely, the highly beneficial impact this educational readjustment program has on those young men and women who choose to return to civilian life after having served in the Armed Forces. The VFW is highly concerned with the career and personal needs of those in the service of their country, both while in the Armed Forces and after they have returned to the private sector. The VFW has long understood that the education and training received while in the military service often is not sufficient to adequately meet career goals once out of the service. In this regard, the New GI Bill is designed to provide the financial resources so very necessary to achieve the professional or vocational skills necessary for success in our modern society.

Military service itself, undoubtedly, has a highly beneficial effect on those young men and women who choose to serve their nation. The military's special emphasis on discipline, working for the good of the group and personal initiative, the insistence that the individual make decisions provides an environment which fosters strong personal growth. This environment invests a young person with an unusually high degree of maturity and self-confidence. Nonetheless, the transition from the rigor and discipline of military life to the more capricious and indefinite contingencies of civilian society is often not easy. This is where the New GI Bill Educational Program may serve as an invaluable readjustment aid.

The New GI Bill provides not only the means of achieving the professional or vocational skills necessary for financial success, but also affords those reentering civilian life the opportunity to enter an educational or academic milieu, a place of calm and contemplation, wherein their values and views may be considered in a relaxed yet intellectually disciplined fashion. They are given the chance to carefully compose the intellectual and moral principles which will guide them through the remainder of their lives. Out of such carefully constructed principles are born the finest citizens this nation has to offer.

Thus, as a transitional mechanism, the New GI Bill provides the means whereby our young men and women who have opted to serve in the Armed Forces may achieve both financial well being and moral and intellectual maturity. In this regard, there is one other such consideration we will address here today. It pertains not to the breadth of a life time but, rather, only a moment.

A young man or woman may very wisely choose to enter the military and then, just as wisely, choose to leave it. Even so, leaving the certainties of military service for the uncertainties of civilian life is, for many, an intimidating step to take. This is especially true for anyone who comes from the lower economic sector of society and who, therefore, cannot be expected to have an especially clear or happy view of what the world outside of the military holds for them.

Once again, the New GI Bill can be tremendously beneficial for such young men and women. Due to the aid provided by the New GI Bill, these individuals know they have the means of at least achieving a near term goal, namely, educational or vocational betterment which may also lead to social and financial well-being in the future. In other words, they do not have to feel that leaving the military will result in there being left out in the cold. Upon returning to civilian life, they are afforded the opportunity to achieve a highly worthwhile short-term goal which will benefit them in the future. Because of the New GI Bill, these young men and women know they have a chance.

Our nation is served best by an educational incentive which most improves our people resource. Participation rates now indicate that the New GI Bill is the incentive our military personnel will use the most and will therefore provide the greatest improvement to society as a whole. As a readjustment mechanism for veterans returning to civilian life, an incentive to attract high quality young people into the military and a prudent investment in our nation's human resource, it would be difficult to design a better program then the New GI Bill. Therefore the Veterans of Foreign Wars strongly supports this proposed legislation to indefinitely extend this invaluable readjustment program.

Mr Chairman, this concludes my testimony, thank you and I will be happy to respond to any questions you may have.

STATEMENT OF
BOB MORAN, ASSOCIATE LEGISLATIVE DIRECTOR
PARALYZED VETERANS OF AMERICA
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT
CONCERNING
"THE NEW G.I. BILL" (H.R.1085)
FEBRUARY 18, 1987

Mr. Chairman and Members of the Subcommittee, it is an honor for me to be able to participate here today and speak on behalf of the members of Paralyzed Veterans of America. I am Bob Moran, Associate Legislative Director for PVA.

Initially, Mr. Chairman, I want to take this opportunity on behalf of all of the members of PVA to officially congratulate you on taking over the Chairmanship of this most important Subcommittee. PVA is confident that with your leadership and a good working relationship, we can address and improve VA programs and benefits that provide for all of our Nation's veterans and their dependents.

Also, I would like to welcome back those members to the 100th Congress, who served so adeptly on the Subcommittee last year. PVA looks forward to once again working with each of you on your specific areas of interest which affect our Nation's veterans. And lastly, a special welcome to the newest members of the Subcommittee, Representatives Patterson, Jontz, Stenholm, Kennedy, and Dornan - we look forward to building a constructive, working relationship with each of you and your staff.

And now to the business at hand, PVA wholeheartedly supports H.R.1085, a bill introduced by the House Committee on Veterans' Affairs Chairman, G.V. (Sonny) Montgomery, and cosponsored by the full Subcommittee. This legislation would amend Title 38 and Title 10, United States Code, removing the expiration date of June 30, 1988, thereby making the educational assistance program under Chapter 30 of Title 38 and Chapter 106 of Title 10 a permanent program.

For over 40 years veterans have been eligible for federal educational assistance under a variety of educational assistance programs. The New G.I. Bill is the best educational incentive the federal government has to offer today. It not only provides for the recruitment of high quality recruits and their retention within the military, but also serves as a vehicle for readjustment back into the civilian population. In a relatively short period of time the New G.I. Bill has proven that a more motivated individual, of higher quality, is being attracted to the Armed Services, which is cost effective. Along with providing highly motivated and capable military manpower, drawn from a full cross section of the population, the New G.I. Bill's indirect benefit to the nation is also profoundly felt. For example, the country benefits from a more highly educated populace. As reported by the Department of Labor workers with college degrees had median earnings of $27,777. Those who had completed high school had median earnings of about $18,350 and those with fewer than four years of high school earned only $14,776. Increased taxes paid on increased income more than repays the cost of this educational benefit, the New G.I. Bill, borne by the taxpayer.

Analyses show that educational assistance is the most cost effective means of getting high quality recruits. According to a recent survey conducted by the Army, 35 percent of today's recruits cite the educational benefits as their principal reason for enlisting. In a letter dated November 17, 1986, from Representative G.V. (Sonny) Montgomery, Chairman of the House Committee on Veterans' Affairs, to PVA's National President Richard Hoover, he stated:

> The New GI Bill is helping them (recruiters) bring bright, high quality young people into military service. For example, the Army has told us that during the first 12 months of the New GI Bill, the average monthly

> percentage of high quality graduate contracts written increased to 57.9% from 50.8% under VEAP. Army Reserve Components report that during the first 12 months of the New GI Bill, U.S. Army Reserve I-IIIA enlistments increased 24%, high school enlistments increased 7% and six year enlistments increased 19% as compared to the pre-New GI Bill rates.

Whether viewed as an incentive to attract high-quality young people into military service, or as a prudent investment in our Nation's human resources, or as a readjustment mechanism for veterans returning to civilian life, the New G.I. Bill should be made a permanent program, with the basic benefits paid for and administered by the VA, so our Nation can continue the tradition of rewarding those who secure and protect our freedom.

In conclusion Mr. Chairman, we commend you and the Subcommittee Members for cosponsoring this most worthy legislative proposal. PVA supports making permanent the "New G.I. Bill" and has always supported the need and utility of educational incentives as an investment in our Nation's future.

That concludes my statement and I will be glad to answer any questions that I can.

STATEMENT OF
RICHARD F. SCHULTZ
ASSOCIATE NATIONAL LEGISLATIVE DIRECTOR
DISABLED AMERICAN VETERANS
BEFORE THE
SUBCOMMITTEE ON EDUCATION, EMPLOYMENT
AND TRAINING
OF THE
COMMITTEE ON VETERANS AFFAIRS
OF THE
U.S. HOUSE OF REPRESENTATIVES
February 18, 1987

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

On behalf of the more than one million members of the Disabled American Veterans, I wish to thank you and the members of the Subcommittee for your invitation to appear here today to express our views on the draft bill, which accompanied our invitation, proposing to make the "New GI Bill" a permanent program.

Mr. Chairman, as you know, the DAV is composed of honorably discharged veterans who were wounded, injured or otherwise disabled in wartime service for this country. It therefore follows that our organization is primarily concerned with veterans' educational assistance provided by the Vocational Rehabilitation Program under Chapter 31 and the Survivors and Dependents Educational Assistance Program provided under Chapter 35 of Title 38, U.S. Code.

Though our organization was founded on the principle that this nation's first obligation to veterans rests with the rehabilitation of its service-connected wartime disabled, we nevertheless are also concerned with those federal programs which have been designed to enhance the educational opportunities of veterans in general.

I also wish to add that the DAV fully endorses and supports a strong national defense to assure that the United States' Armed Forces are second to none.

Mr. Chairman, as you know, Title VII of the Department of Defense Authorization Act, 1985 (Public Law 98-525) established the "All Volunteer Educational Assistance Program" (commonly called the "New GI Bill") under Chapter 30, Title 38, U.S. Code, and the "Educational Assistance for Members of the Selected Reserve" which appears in Chapter 106, Title 10, U.S. Code. Both programs were initiated as three year "tests" to determine their value as recruitment and retention tools for our nation's Armed Forces and are administered by the Veterans Administration. The Title 38 educational assistance program is also funded by the VA, however, the Title 10 program receives its funding from the Department of Defense.

In addition to the educational assistance program offered under Title VII of Public Law 98-525, the individual branches of the military may also offer recruits various "kickers" in order to enhance recruitment in critical skill areas or to encourage longer enlistments. While these supplemental benefits are also administered by the VA, the individual branch of service offering the "kicker" is responsible for its funding.

In order to participate in the Chapter 30 program, servicemembers who enter active duty for the first time during the period from July 1, 1985 through June 30, 1988 must agree to a non-refundable $100 per month reduction in pay during the first 12 months of their service.

Persons who complete a three year tour of active duty generally receive $300 per month for 36 months and those individuals who complete two years' active duty and four years' service in the reserves receive 36 months of entitlement at $250 per month.

Also, under the Chapter 106 program, reservists who reenlist or extend for a period of not less than six years during the test period can receive educational benefits of up to $5,040. The Chapter 106 program, however, does not require a monetary contribution from the servicemember.

## Draft Bill

This measure proposes to make the "New BI Bill" permanent by amending Sections 1411(a)(1)(A) and 1412(a)(1)(A) of Title 38, U.S. Code, and Section 2132(a)(1) of Title 10, U.S. Code, by deleting the current June 30, 1988 ending date for the educational assistance programs established by Title VII of Public Law 98-525.

Mr. Chairman, as mentioned in this testimony, as well as in previous appearances before this Subcommittee and your counterpart in the Senate, the DAV focuses its efforts primarily upon those benefits and services earned as a result of a service-connected disability or death. Consequently, our membership has not taken a position on the "New GI Bill," nor do we have an official position on this measure proposing to continue the "New GI Bill" indefinitely.

Having stated this, I must also say, however, that the DAV fully recognizes the importance of educational benefits as a recruitment and retention device for our Armed Forces. We note that various studies and analysis of the "New GI Bill" have shown that it has prompted a marked improvement in recruitment, resulted in obtaining high quality recruits in the upper mental categories and is now considered as the leading reason for enlistment in the Army.

Mr. Chairman, the great contributions made to this country by the GI Bills of World War II, Korea, and Vietnam in terms of educating and training its citizenry, as well as adding to the Gross National Product and the tax base of nearly every community in this country, are well known. Based upon the high percentage of participants currently enrolled in the "New GI Bill," we believe this educational assistance program will follow in the footsteps of its predecessors. Therefore, we also believe that the "New GI Bill" will serve as an excellent "transition mechanism" by enhancing the future employment opportunities for those individuals who elect to return to civilian life following their initial period of military service.

This concludes my testimony, Mr. Chairman. I again wish to thank you for the opportunity to appear here today and will be pleased to answer any questions you may have at this time.

*Statement of*

# The American Legion

1608 K STREET, N. W.
WASHINGTON, D. C. 20006

by

**JOSEPH E. MILLER, ASSISTANT DIRECTOR**
**NATIONAL LEGISLATIVE COMMISSION**
**THE AMERICAN LEGION**

and

**MICHAEL SCHLEE, DIRECTOR**
**NATIONAL SECURITY / FOREIGN RELATIONS COMMISSIONS**
**THE AMERICAN LEGION**

before the

**SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT**
**COMMITTEE ON VETERANS AFFAIRS**
**U.S. HOUSE OF REPRESENTATIVES**

on

## EXTENDING THE NEW GI BILL

February 18, 1987

Mr. Chairman and Members of the Subcommittee:

The American Legion is pleased to appear before you today in support of H.R. 1085. This bill would remove the expiration date for educational assistance eligibility for members of the All-Volunteer Force and Selected Reserve. We believe its enactment is essential if the armed services are to continue to meet their recruitment goals during the remainder of this century.

In this regard, we would like to briefly illuminate the differences that we feel exist between the new GI Bill and its predecessor. Prior to the enactment of the new GI Bill educational assistance programs, administered under title 38, were designed to provide readjustment assistance to veterans whose educational careers were interrupted by involuntary service or the threat of such service. Indeed, the readjustment benefit accrued to most veterans regardless of whether their service was through conscription or enlistment. Honorable service for a specific period during the term of eligibility was the only requirement set by Congress to receive educational assistance under the old program.

While the new GI Bill is similar in that it provides an educational benefit and therefore some readjustment value after the service member has been released from active duty, it is clearly a program to improve the ability of the military services to attract and retain high-quality recruits. But the differences do not stop here. This program, unlike its predecessor, is a contributory system in which the service member is financially investing in his or her own future. Of equal importance is that, unlike the universal availability of its predecessor,the new GI Bill requires that the recruit make a decision about future educational plans at the time of enlistment. In addition, the new GI Bill provides for kickers or additional monthly benefits for recruits entering certain military career categories, benefits not available under the old system.

In order to meet the manpower demands of the armed forces during the remainder of this century most experts agree that it will be necessary for the military services to attract upwards of one half of those eligible to serve. Assuming the converging factors of an ever-dwindling manpower supply in an expanding civilian job market and the continuation of the concept of an All Volunteer Force, we are convinced that the new GI Bill is crucial to meeting the manpower needs of the armed services.

The All Volunteer Force is now 14 years old, and on occasion since the draft was discontinued the military services have experienced difficulty in meeting their recruitment goals. Earlier programs to provide contributory educational assistance had such low participation rates that they served little practical use in attracting high-quality individuals to military service. All the armed services now agree that the new GI Bill, with its overall 58 percent participation rate, has clearly increased the quality of new recruits - a necessary ingredient to meet the envolving high technology of today's military service. It has also served as a magnet to draw youth from all segments of our society to military service. Therefore, The American Legion is convinced that making the new GI Bill permanent is essential to ensure that the services will have access to high quality recruits now and in the future.

Mr. Chairman, that concludes our statement.

## STATEMENT OF HON. RONALD V. DELLUMS

MR. CHAIRMAN:

I DEEPLY APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOUR SUBCOMMITTEE TODAY AS YOU ADDRESS THE IMPORTANT PRIORITY OF VETERANS' EDUCATIONAL BENEFITS.

FIRST, LET ME SAY THAT THE COUNTRY AS A WHOLE AND IN PARTICULAR THE MORE THAN 43,000 PARTICIPANTS UNDER THE NEW G.I. BILL THUS FAR OWE YOUR SUBCOMMITTEE AND THE CHAIRMAN OF THE FULL COMMITTEE, MR. SONNY MONTGOMERY, A TREMENDOUS DEBT OF GRATITUDE. AGAINST WHAT AT TIMES SEEMED TO BE OVERWHELMING ODDS, IT WAS CHAIRMAN MONTGOMERY'S UNFAILING DETERMINATION AND DILIGENCE THAT WAS RESPONSIBLE FOR THIS IMPORTANT EDUCATIONAL BENEFIT HAVING BECOME LAW.

SINCE PUBLIC LAW 98-525 WAS ENACTED, IT HAS SHARED THE DISTINCTION OF MANY OTHER DESERVING AND PRODUCTIVE PROGRAMS. UNFORTUNATELY, THAT HAS INCLUDED A RELENTLESS ATTACK FROM THE REAGAN ADMINISTRATION IN THEIR ATTEMPT TO DISREGARD THE INTENT OF CONGRESS AND HAVE THE FUNDING FOR THE NEW G.I. BILL CUT OFF, EVEN BEFORE THE CURRENT THREE-YEAR PROGRAM HAS RUN ITS COURSE. DUE TO THE PROTECTIVE WATCHFULLNESS OF CHAIRMAN MONTGOMERY, THESE

ATTEMPTS HAVE NOT BEEN SUCCESSFUL AND HE IS TO BE CREDITED WITH THE SURVIVAL OF THE PROGRAM THUS FAR.

I AM PROUD TO COSPONSOR THIS COMMITTEE'S NEW INITIATIVE, H.R. 1085, WHICH WOULD MAKE PERMANENT THE PROGRAM WHICH AFFORDS VETERANS THESE EDUCATIONAL READJUSTMENT BENEFITS.

MR. CHAIRMAN, I SHARE WITH YOU THE DESIRE TO IMPROVE THE QUALITY OF LIFE FOR OUR SERVICE MEN AND WOMEN. AS CHAIRMAN OF THE ARMED SERVICES SUBCOMMITTEE ON INSTALLATIONS AND FACILITIES, I HAVE HAD THE OPPORTUNITY TO STUDY THE MILITARY QUALITY OF LIFE ISSUE FIRSTHAND. IT HAS BEEN MY GOAL, IN REPORTING AN AUTHORIZATION BILL FOR MILITARY CONSTRUCTION EACH YEAR, TO DO EVERYTHING POSSIBLE TO PROVIDE FOR BETTER LIVING QUARTERS, PHYSICAL FITNESS CENTERS, HEALTH CARE AND DAY CARE CENTERS, RECREATIONAL FACILITIES AND BETTER LIVING CONDITIONS IN GENERAL.

MR. CHAIRMAN, THE TESTIMONY ON THE NEED FOR THE NEW G.I. BILL IS ELOQUENT AND THE STATISTICS ARE CONVINCING. THE NEW G.I. BILL IS A SUCCESS BY ANY STANDARD. THE EDUCATIONAL LEVEL OF THOSE WHO ARE NOW JOINING THE SERVICE HAS RISEN BECAUSE MANY OF THESE NEW RECRUITS ARE CONCERNED ABOUT FURTHERING THEIR EDUCATION AND THE INCENTIVE OF THE G.I. BILL BRINGS THEM TO THE RECRUITER. THEREFORE, IT IS AN EFFECTIVE RECRUITING TOOL, AND HIGHER QUALITY

RECRUITS ARE JOINING. THIS TREND REFLECTS ON THE SERVICES IN GENERAL, AND THEIR POSITIVE PUBLIC ACCEPTANCE HAS IMPROVED AS WELL.

BUT MORE THAN THIS, THE NATION DEMONSTRATES ITS COMMITMENT TO THOSE WHO SERVED IN PROVIDING FOR THE QUALITY OF THE VETERANS LIFE AFTER THEIR SERVICE. VETERANS ARE LARGELY PEOPLE WHO HAVE SACRIFICED THEIR TRADITIONAL COLLEGE YEARS TO SERVE THEIR COUNTRY. BUT THE EDUCATIONAL BENEFITS THEY RECEIVE NOW AND SHOULD CONTINUE TO RECEIVE AFTER SERVICE IS MORE THAN A PAY-BACK. IT IS A RECOGNITION OF OUR MOST PRECIOUS NATIONAL RESOURCE: THE YOUTH OF OUR NATION.

I BELIEVE THAT THE NATION UNDERSTANDS THAT THERE CAN BE NO MORE EFFECTIVE WAY TO BALANCE THE BUDGET, LOWER UNEMPLOYMENT, FIGHT CRIME, AND RAISE THE STANDARD OF LIVING OF OUR CITIZENS THAN THROUGH EDUCATIONAL ASSISTANCE TO OUR YOUTH. STUDENT AID FOR CIVILIANS AND FOR VETERANS REPRESENT THE GREATEST HOPE FOR THE IMPROVEMENT OF THE HUMAN CONDITION, THE ENLIGHTENMENT OF OUR CITIZENRY. IT IS MY HOPE THAT AS WE PROGRESS, WE WILL FURTHER UNDERSTAND THAT A QUALITY EDUCATION IS THE RIGHT OF THE PEOPLE. YOUR BILL FURTHERS THAT CAUSE.

AGAIN, I THANK YOU FOR THE OPPORTUNITY TO TESTIFY BEFORE

YOUR SUBCOMMITTEE. PLEASE BE ASSURED THAT I WILL DO WHATEVER I CAN TO ASSIST YOU IN YOUR EFFORTS TO OBTAIN PASSAGE OF THIS IMPORTANT LEGISLATION.

Statement by

Ronald R. Hayden

National Vice President of the

Navy League of the United States

Before the

Subcommittee on Education, Training and Employment

of the

House Committee on Veteran's Affairs

on

the New GI Bill

February 18, 1987

Mr. Chairman and members of the Committee:

I welcome the opportunity to appear before you in support of the New GI Bill. I am here today as a representative of more than 57,000 American citizens dedicated to the support of a strong military which depends on the availability and recruitment of young American men and women. I should point out that, unlike many other military support organizations, none of our members is on active duty with any branch of the armed services, nor is the Navy League an organization restricted to retired or former members of the military. In fact more than 50% of our members have never served in the military services. Primarily, we are ordinary citizens from all walks of life who are convinced that the nation needs a strong, viable, Navy, Marine Corps, Coast Guard and Merchant Marine. Our objective is education and motivation - to awaken interest, to encourage cooperation and to support all matters which aid and improve our maritime capabilities.

Putting the bottom line first, the Navy League of the United States strongly supports the GI bill and the proposed legislation to make it a permanent program. It is a good program now and it is hoped that changes will be incorporated in the future to make it even better.

I would like to read to you from the 1986-1987 Navy League Resolutions adapted by the membership in July 1986 at our National Convention.

> "In order to attract and retain the best of our youth to the armed forces, the Navy League believes that service in the military should be rewarded with a total compensation package consisting of competitive pay rates, a full program of fringe benefits, and an attractive retirement program."

We consider the GI Bill to be a very important fringe benefit. A fringe benefit that serves both as a recruitment and a readjustment tool.

The GI bill has been an important ingredient in attracting highly qualified high school graduates to serve in the military. Navy statistics, for instance, indicate that 58% of its December and January recruits opted for the new GI Bill. This figure brings the Navy cumulative total to about 60,000 active duty participants which means that approximately 43% of all recruits have taken advantage of the new GI Bill since it became available. Marine Corps percentages are similar.

The GI Bill is an American Institution. It is an important part of the military benefit program. For more than 43 years it has been available to provide our service personnel with educational benefits in return for honorable military service. During all this time, it has given literally millions of young Americans an opportunity to adjust from military service to successful and productive civilian life.

Recent reports indicate that fewer high school graduates are going to college full time because their parents simply cannot afford the high costs. A recent article in the Washington Times indicates that 48% of today's college students attend college with the assistance of loans of one form or another. Those who borrow money to pay their way through college end up owing, on an average, 6,000 - 9,000 dollars. This is indeed a substantial financial burden for anyone right out of college and starting a career.

Clearly, today's high cost of a college education impacts on all but the wealthy. Colleges and universities are experiencing reduced enrollments. And at the same time, greater numbers of the nation's youth - those that are scholastically prepared and motivated - are financially unable to go to college.

The GI bill is also an investment in our country's future. Servicemen and women return to civilian life and college more mature, and with a greater understanding of the world around them. Usually they are better students than they were before military service. With the increased earnings that come from a better education, these veterans will more than repay the nation for the cost of the GI Bill.

Keep in mind that as we end the 1980's and enter the 1990's the demographics of young people indicate it will be harder and harder for the services to compete with industry for mentally and physically qualified young men and women. Last year, then Chief of Naval Operations, Admiral James D. Watkins, in a speech before the World Affairs Council reported that the United States is facing a downward trend in demographics.

He cited a Rand Study which found that the 1980 manpower pool of 2.1 million youth will shrink by 20% to 1.7 million by 1990. This means the Armed Services, so dependent upon quality people, will find it increasingly difficult to compete for the young people it needs. Should it become impossible to attract the numbers needed, the alternative is a return to conscription to meet the armed services personnel requirements.

By making the new GI Bill a permanent program as well as providing for adequate compensation and with incentives we assure the armed services of quality personnel who, upon leaving the service, will be financially better able to obtain a college education. They will then become more productive members of the work force as has been proven by two generations of recipients of the GI Bill.

In closing I urge you to seek approval of this legislation. The time to act is now before the current law expires. In my opinion, a lengthly delay or defeat of the legislation will only cause the nation harm.

Mr. Chairman, thank you very much for permitting me to appear before your committee.

*Vietnam Veterans of America, Inc*
*2001 S St., NW*
*Suite 700*
*Washington, DC 20009-1125*

*(202) 332-2700*

STATEMENT OF

MARY R. STOUT

NATIONAL SECRETARY

VIETNAM VETERANS OF AMERICA

HEARING ON H.R. 1085

FOR THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

OF THE

HOUSE VETERANS AFFAIRS COMMITTEE

FEBRUARY 18, 1987

Vietnam Veterans of America strongly supports HR 1085 to make permanent the New GI Bill educational assistance programs. The first resolution passed at the first National Convention of Vietnam Veterans of America in 1983 is "Be it resolved, that the Vietnam Veterans of America vow 'Never again will one generation of veterans abandon another.'" This statement, from the Keynote address for the Convention by Congressman David Bonior, is our commitment to ensure that those who follow us in fulfilling their obligation of citizenship through military service are afforded the opportunity to regain their rightful place in relation to their peers who chose not to serve. The New GI Bill educational assistance programs are important means of fulfilling our obligation to assist in the readjustment for those who serve in our military forces.

As the newest generation of war veterans, we appreciate the benefits of advanced education that were available to us through the Vietnam Era GI Bill. While the climate in educational institutions and the country itself may have made it difficult for some of us to take full advantage of the benefits available, many of us have received advanced education that would not have been possible without this assistance. It has enabled us to begin to take our place as leaders in this country.

It is very encouraging that many new recruits are opting to give up a substantial part of their first year's salary to participate in this readjustment program. We are concerned, however, that when the time comes for them to use this vital assistance the $300 monthly check will be completely inadequate to offset the rising cost of advanced education. It is apparent, as happened with the Vietnam Era GI Bill, that these young people will be forced, if they have no other sources of income, to attend the least expensive institutions. We recommend the military services in briefing recruits on the program include information on education costs. The Veterans Administration, as part of their educational assistance, must be prepared to provide information on additional sources of support for education.

We also encourage and support the provision of extra education benefits to those who opt to train in skills that are of critical need or are not easily transferable to the non-military work force.

There are a number of possible improvements in the program. These are improvements to encourage full participation and not necessary changes at this time. The program as it presently operates has the full support of Vietnam Veterans of America. These suggestions are elements of "fine-tuning" that we will also support.

We view the New GI Bill as a veterans readjustment program. In this time of needed deficit reduction it is understandable, yet lamentable, that we must ask those who sacrifice for us to also sacrifice financially for this program. But since they do sacrifice financially we must insure that these funds are not lost to their use if they do not use them for education.

We recommend:

1. Those "opting in" the program during the first 14 days of active service be offered the option of $100 per month reductions in salary for 1 year or $50 per month reductions for 2 years. All others be allowed to "opt in" during the first year of active duty at $100 per month reduction. This will ensure that those whose obligation is for 2 years will have paid in their share before leaving active duty.

Many individuals are entering military service fully aware of the readjustment benefits of the New GI Bill due to the efforts of recruiters to inform them of this program. Some of these, however, do not take advantage of the program due to financial responsibilities which they have already incurred including the support of their families. It is our beleif that the participation of this group will be increased if they have a lower monthly reduction. Many who have not made up their mind about participation in the programs will need more information and time to make a decision. They should be given this extra time to consider this important decision.

2. Anyone leaving active service before fulfilling their first enlistment obligation who is granted a general or higher discharge be reimbursed their full contribution upon discharge.

Due to the rigors of military training some individuals may prove to be unsuitable for service in the military. There really is no completely reliable way to determine this suitability before enlistment. Those who opt in the New GI Bill Program and are unable to complete their responsibility through no fault of their own should not be penalized by loss of their contribution.

3. Those who do not use *any* benefits within five years of leaving active duty be allowed to be reclaim their full ($1,200) contribution.

Some individuals entering military service are unsure of their future plans and may not consider advanced education to be a part of that future. In fact they may find that they do not need or desire to advance their education after military service. They may have no need of this readjustment benefit. They should be allowed after a five year period to reclaim their contribution if they have not used any of their benefits.

It is our belief the need will exist and many who may have opted out if they felt they would forfiet their pay reduction will, in fact, take advantage of the benefits and contribute substancially to our society through the use of this program.

4. Those who opted in and have served at least ten years on active duty and have used no GI Bill benefits be permitted to transfer those benefits at 1/2 their value to a spouse or child.

There is a need for military forces to retain members but the New GI Bill may be a detriment to this retention because to be used most effectively the service member would need to leave active duty. The option of passing on some of the benefit to a spouse or child only encourage participation by potential careerists and will ensure that those whose plans change will be afforded the opportunity available under the New GI Bill.

5. Military Academy and ROTC graduates be permitted to opt into the program having their pay reduced by $100 per month for 12 months if they commit to remain on active duty at least 2 years beyond their initial service obligation.

The New GI Bill does not discriminate against those who have gained education through any other government funded education programs. Once these individuals have fulfilled their initial obligation from their education they should be offered the opportunity to use this program to further their education.

The New GI Bill for the Reserves and National Guard has one major flaw which may be detrimental to retention of highly skilled and educated individuals. The restriction of type of education and level should be lifted for Reserve and National Guard members.

With a large part of our military medical programs being transfered to the Guard and Reserve we must offer incentives to retain highly skilled and motivated individuals. We can certainly expect the opportunity to obtain advanced degrees that will enhance our service delivery to be a boon to recruitment and retention and to assist the country in fulfilling its needs for nurses and medical technicians in many fields.

Since the establishment of the first GI Bill Program after World War II millions of America's veterans, who would not otherwise have the means, have received advanced education using this important readjustment program. Those who have fulfilled their obligation of citizenship through military service deserve to be afforded that same opportunity today.

Thank you for giving Vietnam Veterans of America the opportunity to express our interest, concern and support for HR 1085.

ACCT
Joint Commission
On Federal Relations
AACJC

March 6, 1987

The Honorable Wayne Dowdy, Chairman
Subcommittee on Education, Training and Employment
Committee on Veterans' Affairs
U.S. House of Representatives
240 Cannon House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

In response to your letter of February 20, community colleges in most States are actively building their outreach in working with National Guard and Reserve units. As your record already indicates, we are making a special effort to encourage community college agencies in each State to convene drive-in conferences both to give community college staff a detailed briefing on the opportunities that the Montgomery GI Bill offers to increase enrollment and to increase dialogue between the campuses and the local Guard and Reserve units.

In some States, such as North Carolina and Virginia, a strong working relationship has already developed between community colleges and Guard and Reserve units. In North Carolina, for example, the State Department of Community Colleges and the two-year colleges met their target of completing by January what they call "drive-in visits" with all National Guard units. These meetings served to establish working relationships between the colleges and local Guard units, to help ensure that Guard members make the best use of their Montgomery GI Bill opportunities. The colleges are now completing similar meetings with all Reserve units. Similar networking is being done between the community colleges and the Guard and Reserve units in Virginia and South Carolina, among other States.

In general, closer working relationships are developing rapidly between Guard and Reserve units and community colleges across the country. In the coming week, Mack Fleming and I will be leading drive-in conferences in Denver and Salt Lake to promote such relationships. National security, the students and the colleges all benefit because the program is drawing growing numbers of Guard and Reserve members into college courses that provide the skills the military systems and the national economy must have to meet global competition.

As we receive more detailed reports of the program's progress from the States, we will share them with you. Thank you again for your decisive leadership on this vital program.

Sincerely,

Frank

Frank Mensel
Vice President for Federal Relations, AACJC
Director of Federal Relations, ACCT

FM:egd

cc: Hal Miller

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## WRITTEN COMMITTEE QUESTIONS AND THEIR RESPONSE

## Chairman Dowdy to Air Force Association

**Air Force Association**
1501 Lee Highway, Arlington, Virginia 22209-1198 (703) 247-5800
**An Independent Non Profit Aerospace Organization**

How important is it to our Armed Forces to recruit high quality young people?

The Air Force can accomplish its mission because it has well trained, experienced, highly motivated people to operate and maintain its weapons systems. Its ability to get the mission done and maintain an effective deterrent force depends on recruiting and retaining high quality men and women in sufficient numbers to provide an experienced and combat ready force.

The Air Force is a high technology organization. It has been this way for a long time, but is getting into higher and higher technology each year. If we don't recruit high quality young people, some of these high technology systems could become space aged tinker toys. Quality people are the key.

## CHAIRMAN DOWDY TO AIR FORCE SERGEANTS ASSOCIATION

**Air Force Sergeants Association**

International Headquarters, P.O. Box 50, Temple Hills, MD 20748 • Phone: (301) 899-3500

QUESTION: How important is it to our Armed Forces to recruit high quality young people?

RESPONSE: The Air Force Sergeants Association believes it is absolutely imperative that the military services continue to recruit high quality young men and women. It is a proven fact that recruits in the higher mental categories are more likely to complete their enlistments, thus reducing the number of recruits needed; are more easily trained, thus reducing the costs associated with training time and attrition due to failure to progress through the training cycle; and finally high-quality recruits are less likely to become involved in crimes, incidences of drug abuse or inability to conform with military disciplines. The bottom line is high-quality recruits complete their prescribed enlistment contract without incident and do their job better.

# CHAIRMAN DOWDY TO AIR NATIONAL GUARD

DEPARTMENTS OF THE ARMY AND THE AIR FORCE
NATIONAL GUARD BUREAU
WASHINGTON, D.C. 20310-2500

Question 1: Does an educational assistance incentive attract a different kind of recruit from that attracted by bonuses? Is it important to your service to have both available?

Answer: Educational assistance has as its primary focus the accession of quality, goal oriented young men and women into the broad range of career opportunities within the Air National Guard. Conversely, the thrust of the bonus programs is somewhat more narrow. They are targeted to increase, through significant monetary incentives, enlistments into specific, well defined wartime required specialties in which we have historically had recruiting shortfalls. If the Air National Guard is to continue to appeal to young men and women (26 percent of our new prior service accessions in Fiscal Year 1986 were female) with diverse goals for their futures, it is clearly in our best interests to be able to offer both educational benefits and financial inducements.

Question 2: How are candidates for service informed of the benefits available to them under the New GI Bill?

Answer: The New GI Bill has received extensive publicity in the media. When queried, more than 60 percent of our new accessions responded that in their opinion, the New GI Bill had been publicized to a great degree. Our experience has shown that most of our applicants make their initial inquiries concerning the Air National Guard based on a combination of this advertising plus information from a friend who has recently enlisted in the Air National Guard. We accrue an additional benefit from this phenomonon. Quite simply, quality attracts quality. Individuals with like interests, lifestyles, and goals tend to cluster together. Enlisting one member of such an informal group often precipitates similar interest in his or her associates. This is how the word spreads about the "good deal" in the Air National Guard. The recruiter is trained to elicit from an applicant just what his or her interests and goals are. Once this information has surfaced, the recruiter is in a position to explain precisely how the Air National Guard can help in fulfilling those interests and goals.

Question 3: There are those who assert that educational assistance benefits are an incentive to leave service. What has been your experience with this? Do you agree with this assertion?

Answer: The assertion that educational assistance benefits are an incentive to leave the service is, at the very least, open to dispute. There should be no doubt that the New GI Bill is effectively providing the Air National Guard access to the most wanted young men and women in our country. Once we have successfully enticed them with these benefits, it is imperative that the leadership and management in the Air National Guard, and I am talking about officers and senior Non-Commissioned Officers (NCOs), provide an environment in which these young men and women can make substantive contributions, an environment in which their presence is essential. If we can continue to maintain this kind of environment (and in Fiscal Year 1986 we retained 80 percent of our first term traditional Guardsmen), I am confident that the concerns implicit in this assertion will not be realized.

Question 4: How important is it to all of you to attract high quality young people to military service? What would be the effect if, in future years, you were without an educational assistance benefit and unable to bring into service your current high quality recruits?

Answer: Attracting and recruiting high quality young people for whom further education is of primary importance in the attainment of their long range goals is clearly in the best interests of the Air National Guard. Every personnel study in this area underscores one key trait: as a group, high school graduates have a higher completion rate in basic training and in technical school, perform more effectively on the job, and have substantially fewer disciplinary problems than do non-graduates. The complexity of modern weapons systems and the increasing involvement of the Air National Guard with the regular Air Force do not allow us to settle for second best in our personnel accessions. Any diminution of our high standards will have a long term impact that is both predictable and intolerable. Predictable in the sense that we know all too well the high costs incurred when the Armed Forces are asked to make do with less than the best. Intolerable in the sense of higher elimination rates from basic military training and technical school, lessened productivity resulting from an increase in disciplinary problems. Given a scenario in which the present high quality of our young airmen decreases, we can project a parallel decrease in readiness and effectiveness.

## CHAIRMAN DOWDY TO AMERICAN COUNCIL ON EDUCATION

AMERICAN COUNCIL ON EDUCATION
Division of Governmental Relations

**FEBRUARY 18, 1987 HEARING ON HR 1085**

**QUESTION:** I believe one of the most important ramifications of the New GI Bill is the development of the really remarkable relationship that is developing between schools and the military. Would you comment on this and perhaps share any personal experiences you have had in this regard?

**RESPONSE:** The G.I. Bill, and enlightened federal statutes and policies, have fostered the development of productive relationships between the military services and colleges and universities. These education assistance programs have enabled many active duty personnel, as well as military veterans, to pursue postsecondary education opportunities. Among such programs are those sponsored by the University of Maryland's University College, City Colleges of Chicago, Big Bend (Washington) Community College, University of the State of New York Regents College Degrees, Thomas A. Edison College (New Jersey), and Central Michigan University.

Since 1945, the American Council on Education (ACE) through its Military Evaluations Program and General Educational Development (GED) Testing Program has enabled millions of active duty personnel and veterans to receive formal recognition of postsecondary-level learning acquired in the military services in the form of academic credit and credentials.

Since 1972, the Servicemembers Opportunity Colleges (SOC)--now incorporating approximately 400 colleges and universities--have been meeting the educational needs of mobile servicemen and women. The SOC associate degree programs for soldiers (Army) and sailors (Navy) are formal networks of community colleges that enable enrollees to pursue, uninterrupted, associate degree programs from any military station in the world. Currently, about 90 percent of those enrolled intend to acquire associate degrees directly related to their military jobs. Four-year colleges and universities are now forming baccalaureate degree networks for soldiers. SOC sponsors are the American Association of Community and Junior Colleges (AACJC) and American Association of State Collegs and Universities (AASCU). Eleven other postsecondary education associations and agencies (including ACE) cooperate and subscribe to membership criteria.

The nation's armed services have been quite aggressive in promoting educational advancement of personnel. The Army, for example, has announced that in its search for educational "excellence" it aims to enroll some 90 percent of its total membership in postsecondary education programs in the years ahead.

## CHAIRMAN DOWDY TO ARMY NATIONAL GUARD

DEPARTMENTS OF THE ARMY AND THE AIR FORCE
NATIONAL GUARD BUREAU
WASHINGTON, D.C. 20310-2500

12 MAR 1987

Office of Policy and Liaison

Question 1: Does an educational assistance incentive attract a different kind of recruit from that attracted by bonuses? Is it important to your service to have both available?

Answer: The New GI Bill attracts soldiers who either intend to or are attending college. This provides the Army National Guard with a source of higher civilian educated soldiers to meet the higher technology of equipment and mission scenarios. The enlistment and retention bonuses are for filling unit or critical skill shortages only without regard to college education. It is important for the Army National Guard to offer various different enlistment and retention incentives to achieve the strength mission.

Question 2: How are candidates for service informed of the benefits available to them under the New GI Bill?

Answer: Federal law requires that soldiers be notified when eligible and sign a Notice of Basic Eligibility. Additionally, recruiters and other personnel routinely inform recruits and soldiers of their benefits.

Question 3: There are those who assert that educational assistance benefits are an incentive to leave service. What has been your experience with this? Do you agree with this assertion?

Answer: The Reserve Components' New GI Bill can only be used while the soldier remains an active member of the Selected Reserve. This assertion of leaving does not apply to the Reserve Components. The New GI Bill is an important enlistment and retention tool.

Question 4: How important is it to all of you to attract high quality young people to military service? What would be the effect if, in future years, you were without an educational assistance benefit and unable to bring into service your current high quality recruits?

Answer: As a reflection of the Total Army, the demand for higher educated soldiers within the Army National Guard has escalated sharply in recent years and promises to continue to do so. A key factor is the equipment, training, and mission scenarios of the Total Army are becoming more sophisticated. As an integral part of the Total Army, the soldiers of the Army National Guard must keep pace with these changes if they are to meet the challenges of the future. The Reserve Components' New GI Bill is necessary to attract and provide soldiers to meet these challenges.

## Chairman Dowdy to Association of the United States Army

ASSOCIATION OF THE UNITED STATES ARMY
POST OFFICE BOX 1560, ARLINGTON, VIRGINIA 22210 (703) 841-4300

OFFICE OF THE
EXECUTIVE VICE PRESIDENT

Q. HOW IMPORTANT IS IT TO OUR ARMED FORCES TO RECRUIT HIGH QUALITY YOUNG PEOPLE?

A. On behalf of the 166,000+ members of the Association of the United States Army, I (Major General Robert F. Cocklin, AUS Ret, Executive Vice President, AUSA) am pleased to provide this response for the record.

Nothing is more important to the Army than its people. High quality people, accessed as individuals, and infused regularly through enlisted- and officer-producing recruiting programs, become the backbone of the Armed Forces which provides our nation's defense.

High quality young people are:

- more likely to complete their enlistments,
- demonstrably more trainable,
- less prone to indiscipline.

And, they are more likely to grow into the innovative leaders and technicians each Service needs for tomorrow.

By recruiting high quality young people, the Government saves recruiting, training, and O&M funds, which may then be applied toward other Service needs.

There exists important, inextricable links among education, recruiting and retention. The Army encourages its soldiers to make education a life-long pursuit. High quality young people with personal goals, who desire education and self improvement, become reliable, dependable soldiers and enhance unit combat readiness. In turn, enhanced unit combat readiness enables the Army leadership to refine the Army's combat force structure and improve its strategic deployability.

Despite the forecasted decline in the available pool of applicants, as important incentives (such as the GI Bill) and Service needs (such as access to adequate resources for recruiting) are recognized by the Congress and made permanent, the Army and its sister Services will be in a better position to attract high quality young people to serve in the nation's Armed Forces.

## CHAIRMAN DOWDY TO DEPARTMENT OF THE AIR FORCE

DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON, D.C. 20330-5060

1. Question: Does an educational assistance incentive attract a different kind of recruit from that attracted by bonuses? Is it important to your service to have both available?

Answer: There is no doubt that the answer to the first part of your question is yes. Education benefits are most appealing to young people who are goal oriented. They realize the long-term value of higher education. On the other hand there is a segment of the youth population who value the need for available cash for a host of reasons. Our bonus programs are targeted to critical skills and have been very effective in our efforts to meet our qualitative and quantitative recruiting goals. The availability of both of these potent recruiting tools has broadened our potential recruiting market and are two of the primary reasons why Air Force recruiting has been successful.

2. Question: How are candidates for service informed of the benefits available to them under the New GI Bill (NGIB)?

Answer: New recruits are informed of all the bill's benefits in a systematic sequence of actions. First, the Air Force recruiter briefs the potential recruit and gives him/her a pamphlet titled An Air Force Guide To The New GI Bill. At the Military Entrance Processing Stations they are required to read a series of questions and answers which deal with the NGIB. A letter is also sent to the members' parents along with the NGIB pamphlet. At basic training all new trainees are briefed thoroughly on day two of training and given the pamphlet once again. On day seven they are given the option to opt in or out of the program.

3. Question: There are those who assert that educational assistance benefits are an incentive to leave service. What has been your experience with this? Do you agree with this assertion?

Answer: With the exception of those personnel who, due to high year of tenure, will be forced to separate from service before they can qualify for conversion under the NGIB we do not view educational assistance benefits as a primary incentive to leave the Air Force. Those who leave do so for a variety of reasons. Those who choose to stay on with us are encouraged to pursue their education. The Air Force has developed a comprehensive continuing education program for its personnel with on-base degree granting opportunities at all of our major bases. The in-service provisions of both the NGIB and the Vietnam GI Bills encourage our people to take full advantage of these opportunities while pursuing Air Force careers.

4. Question: How important is it to all of you to attract high quality young people to military service? What would be the effect if, in future years, you were without an educational assistance benefit and unable to bring into service your current high quality recruits?

Answer: It is common knowledge that our weapons systems are undergoing constant change. With each change the degree of complexity and sophistication has increased. This fact is equally true with respect to requirements for their maintenance and effectiveness. Due to these facts, the need for us to recruit and retain high quality young people is no longer a luxury; it is an absolute necessity. Our annual surveys of recruits (over 4,000) tell us why they elected to enlist in the Air Force. Our latest survey reflects that 63% enlisted "to continue my education" as a primary reason why they joined the Air Force. We therefore have no doubt that we would suffer severely in the future without an effective educational assistance benefit.

## CHAIRMAN DOWDY TO DEPARTMENT OF THE ARMY

DEPARTMENT OF THE ARMY
OFFICE OF THE DEPUTY CHIEF OF STAFF FOR PERSONNEL
WASHINGTON, DC 20310-0300

Question: Does an educational assistance incentive attract a different kind of recruit from that attracted by bonuses? Is it important to your service to have both available?

Gen Elton: The Army subscribes to a dual market concept theory composed of two major sub-markets within the quality youth populations. These are employment/skill-oriented and college-oriented. Whereas both groups have some common motivations, such as the desire to serve their country, the employment-oriented youth tend to be more interested in job-related benefits. They are interested in learning skills and also are more likely to view the Army as a permanent employer. Bonuses are highly effective in persuading them to enlist for four year terms and hard to fill skills with long training periods. The college-bound youth, on the other hand are more likely to be motivated by deferred benefits, such as the opportunity to finance their future education. They enlist for the shortest available term and tend to look at military service in terms of a hiatus from school. The Army has historically done well in the employment-oriented segment, but not in the college-oriented segment. Both are required to meet our requirements. The Army uses the GI Bill plus the Army College Fund as a market expander to tap into the college-oriented segment. An American Economic Review article concluded that education benefits are a stronger enlistment incentive for high quality college-oriented youth than higher pay.

Question: How are candidates for service informed of the benefits available to them under the New GI Bill?

Gen Elton: GI Bill information provided to potential recruits begins with national advertising. The Army uses the full range of broadcast, print and direct mail vehicles to inform young Americans of the educational opportunities afforded them by the GI Bill. New recruits first get briefed on the GI Bill by the recruiter. When he processes through the Military Entrance Processing Station (MEPS), he receives a second briefing by a recruiting guidance counselor as part of his orientation of his enlistment contract. One part of this orientation is a video presentation using the Joint Optical Information Network (JOIN) system. Prior to the recruits return to access on active duty, a letter is sent to the parents informing them of the benefits of the program. Upon arrival at the Army Reception Station, the recruit receives a final orientation with a movie, participates in a question and answer session and makes the decision to enroll or disenroll from the program. Education counselors conduct the briefing at the Reception Stations and are available at every Army installation to continue the information process.

Question: There are those who assert that educational assistance benefits are an incentive to leave service. What has been your experience with this? Do you agree with this assertion?

Gen Elton: The recruit who is truly college-bound would not have enlisted at all in the absence of educational incentives or for a longer term in the first place. However, when they leave active duty, they do not leave the service, but are transferred to the Reserve Components to complete their total of eight years of military service obligation. The college-bound youth who serve short active duty terms provide urgently needed high quality manpower for the Reserve Components.

Question: How important is it to all of you to attract high quality young people to military service? What would be the effect if, in future years, you were without an educational assistance benefit and unable to bring into service your current high quality recruits?

Gen Elton: Military readiness depends on the capabilities, discipline, and motivation of our young men and women in uniform. For the Army, a quality force is a priority objective. The Army needs quality soldiers who will perform well during their initial enlistment and will develop into qualified leaders who can successfully meet the challenges they will face over the course of an Army career. It is from these individuals that the Army must develop its cadre of career soldiers. They must be able to adapt to the changing requirements placed on them as their jobs change through second and succeeding enlistments. Quality recruits are young men and women with high school diplomas and AFQT scores in categories I-IIIA. These recruits are more likely to complete their enlistments, perform better and are less prone to indiscipline. Recruit quality has improved significantly since 1980. In 1980 only about half of the Army recruits were high school diploma graduates (HSDG) and about 52% were AFQT category IV when indiscipline rates were high, and morale and training performance low. Today approximately 90% of the Army recruits are HSDG and only about 4% are AFQT category IV. Indiscipline rates are down, morale and training performance are up. As a result of its current HSDG recruiting success, the Army saves having to replace from 12 to 14 thousand soldiers (this is approximately one Division) at a recruit/training cost of around $235M. As recruit quality goes up, indiscipline rates (AWOL), violent crime, desertion, etc) go down. For example, AWOLs are down from over 40 per thousand in 1980 to less than 15 per thousand in 1986. The Army has conducted considerable research which shows that quality soldiers perform substantially better. The increased complexities of modern warfare demand that the Army maintain the quality of its enlisted force. Analyses of virtually every measure of performance such as tank firing, air defense firing exercises, infantry kill ratios, skill tests, promotions and indiscipline indicators supports this concept. Today's recruits will be tomorrow's sergeants.

## Chairman Dowdy to Department of the Navy

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
WASHINGTON, D.C. 20380-0001

Question: Does an educational assistance incentive attract a different kind of recruit from that attracted by bonuses? Is it important to your service to have both available?

General Cheatham: Our experience is similar to that described by General Elton. Generally, we find that the GI Bill appeals to the higher quality applicant we are seeking. The enlistment bonus program is a part of our force management effort. It provides an incentive that spreads the talents of new accessions throughout the force to meet our needs. We use the bonus program to attract the high quality accessions to the jobs we need them in, in the months that support our training capability, and for the terms of enlistment that most effectively invest our training dollars.

In other words, the GI Bill helps attract a high quality applicant to the Service while the bonus program focuses them into areas we need. As such, these two programs complement rather than compete with each other. Using them together, we were able to achieve an average term of enlistment of 4.4 years during FY-86 while improving all our quality indicators. It is very important for us to continue to have both programs available - to keep all of the tools in our tool kit.

Question: How are candidates for service informed of the benefits available to them under the New GI Bill?

General Cheatham: The term "GI Bill" has strong name recognition in our country, and is well regarded by the general population. We try to use this in our marketing by creating an awareness that the New GI Bill is available. We do this as part of our direct mail campaign in letters sent to high school and junior college students. We have developed posters, and handouts for our recruiters to take to the school guidance departments advertising the GI Bill. When the recruiter delivers these, we have provided him with a fact sheet on the program that helps him brief the guidance personnel on the details that they need to effectively advise the student. We have incorporated information on the GI Bill in our recruiters product knowledge book. This book is used in the applicant's home, generally with his parents, to answer a variety of questions about the Marine Corps including education benefits. Finally, recruiting stations send letters to both the applicant and parents after enlistment. These letters welcome the family aboard, and highlight a number of issues; our policy on drugs, personal behavior, and education. These letters don't provide all the answers, but do cause the applicant and parents to ask any questions of our recruiters.

All of this is followed by a presentation at recruit training where we explain the provisions of the GI Bill to the recruits and they make their choice. Several members of the Committee and members of the staff have had the opportunity to see our presentation at Parris Island.

Question: There are those who assert that educational assistance benefits are an incentive to leave service. What has been your experience with this? Do you agree with this assertion?

General Cheatham: That's an easy assertion to make, but when viewed, in a broader context I don't think it's a signficant concern. Let me start by saying that I'm not talking about the Reserve GI Bill - I believe there's a general consensus that the Reserve GI Bill is a superb recruiting and retention program that is working well.

When you discuss retention and the New GI Bill, I think you need to consider two aspects; first, retention through the first term and then, retention beyond the first term. The way the program is structured, a Marine must successfully complete a first enlistment to realize the benefit. The value of the benefit, coupled with his own investment of $1,200.00 serves as a powerful incentive for a Marine to keep at it and be successful. In this respect, the New GI Bill helps us to keep these high quality Marines in through their first enlistment.

When that first enlistment is done and a Marine is making a decision to reenlist or get out, the availability of the GI Bill will obviously be a factor. How important a factor is yet to be determined because the groups participating haven't gotten to that decision point. The negative incentive is partially offset by the option of in-service use and the fact that the benefit is not lost if not used at that time. Also, adequate funding of our Selective Reenlistment Bonus program, allows us to further reduce any negative incentive by attracting and retaining Marines with particular skills. This allows us to shape the force by better matching our people to the requirements.

I think the point that's often overlooked in this discussion is that we need to have at least 50% of our first term enlisted force get out after their initial enlistment to preserve the vigor of the force and to avoid stagnation of the promotion system. Recognizing this fact and realizing that many of our MOS's do not have the technical skills that carry over to a civilian job, we need to provide these young Americans a readjustment benefit to catch them back up with their contemporaries.

Question: How important is it to all of you to attract high quality young people to military service? What would be the effect if, in future years, you were without an educational assistance benefit and unable to bring into service your current high quality recruits?

General Cheatham: People are the single most important element of the Marine Corps - I can't over-emphasize that point. Our experience through the era of the All Volunteer Force is that as we increased quality, disciplinary problems and non-expiration of active service attrition went down, while training and retention improved. In other words quality Marines produced a better, more combat-ready Marine Corps. It is very important to me that we maintain the caliber of our young Marines. If a reduction in the basic benefits package resulted in a marked decrease in quality, we would see an increase in the kind of problems that eventually degrade readiness, and cost money.

# CHAIRMAN DOWDY TO DEPUTY CHIEF OF NAVAL OPERATIONS FOR MANPOWER, PERSONNEL AND TRAINING

DEPUTY CHIEF OF NAVAL OPERATIONS
(MANPOWER, PERSONNEL AND TRAINING)

1. Does an educational assistance incentive attract a different kind of recruit from that attracted by bonuses? Is it important to your service to have both available?

Yes, the Navy's modest enlistment bonus program is primarily targeted to upper mental group applicants with a high school diploma who are willing to obligate for six years in our nuclear power program. These young people are particularly interested in the sophisticated technical training the Navy has to offer. The Navy's Sea/College Program is targeted to high quality enlistees who are willing to make an eight year committment to the Navy (two years active duty and six years in the Ready Reserve) in return for assistance in attending college.

Both programs are critical to Navy's needs. Bonus programs and the GI Bill attract accessions with different obligated service, and provide different kinds of benefits, each of which are important to our total recruiting effort.

2. How are candidates for service informed of the benefits available to them under the new GI Bill?

A descriptive pamphlet for the new GI Bill along with a question and answer sheet is provided to all applicants by the recruiter. Accompanying this information is a letter from the recruiting district commanding officer suggesting a thorough discussion with parents and/or school guidance counselors prior to departing for recruit training where the individual is required to make a decision within the first two weeks on participation in the new GI Bill.

At recruit training, the recruits are given two presentations. The first one is a thorough discussion on the provisions of the new GI Bill. The second presentation is a recap of the first one, followed by an extensive question and answer session. The recruits are then required to make their election to remain enrolled in the GI Bill or to disenroll. A Department of Defense form (DD 2366) is used to record the recruit's intent, and filed in the permanent service record.

3. There are those who assert that educational assistance benefits are an incentive to leave service. What has been your experience with this? Do you agree with this assertion?

In January 1984 the Chief of Naval Operations testified that personnel leaving the Navy continually cited the impending loss of GI Bill benefits as one of the prime reasons for their decision. In the two year period preceding passage of the new GI Bill the loss of GI Bill benefits increased from tenth to fourth as the most important reason for leaving the Navy. Under the new GI Bill with its conversion provision for Vietnam Era GI Bill eligibles, there is no longer the compelling reason to leave the service to use these benefits before the 1989 delimiting date. Also, since in-service usage is available under the new GI Bill after two years of active duty, coupled with ten years after discharge in which to use the benefits, I do not anticipate a conflict with members desiring to stay in the Navy. My perception, however, is that transferability would add impetus to our retention efforts. Over the years hearings have been held on the issue of transferring benefits to dependents with overwhelming support expressed by our military personnel. Our Navy retention teams that travel throughout the Fleet have also reported on the popularity of transferability. Transferability would be a positive retention incentive.

4. How important is it to all of you to attract high quality young people to military service? What would be the effect if, in future years, you were without an educational assistance benefit and unable to bring into service your current high quality recruits?

It is extremely important to attract high quality recruits into the Navy. We have been very successful in meeting quality goals for the past five years. This attainment has contributed significantly to improved fleet readiness.

We have no data which would demonstrate the impact on recruiting should we be faced without an educational assistance benefit program in the future. We can substantiate, however, that lower quality recruits result in (1) higher attrition and, therefore, a requirement for more accessions, (2) higher training costs to maintain the same level of technical abilities, and (3) more disciplinary problems.

## CHAIRMAN DOWDY TO DISABLED AMERICAN VETERANS

MAR 04 1987

DISABLED AMERICAN VETERANS
National Service and Legislative Headquarters
807 Maine Avenue, SW
Washington, D.C. 20024
(202) 554-3501

March 2, 1987

Honorable Wayne Dowdy
Chairman
Subcommittee on Education,
Training and Employment
House Veterans Affairs Committee
335 Cannon House Office Building
Washington, D.C. 20515

Dear Chairman Dowdy:

This is in reply to your letter of February 20, 1987, requesting that I respond to questions which you were unable to ask during the February 18, 1987, hearing on H.R. 1085.

1. Did you personally use earlier GI Bills or did you have friends or family members who did? Did this opportunity to further their education help them catch up with their peers who did not serve in the military?

I did not use the GI Bill following my military service in Vietnam. However, as a service-connected disabled veteran, I did use my entitlement to vocational rehabilitation as provided for in Chapter 31, Title 38, U.S. Code.

I might add, that as a DAV National Service Officer, I came into contact with many veterans who used GI Bill educational benefits following their service in World War II, Korea and Vietnam. With very few exceptions, these men and women reported that the education and training they received under the GI Bill greatly assisted them when they entered the competitive job market.

2. If our Armed Forces did not have an educational assistance benefit to offer service candidates, what would be the effect on the ability of the military to recruit high quality young people?

As you know, recent data reveals that the New GI Bill is the most cost effective means of attracting high quality recruits. An Army survey also shows that the leading reason young men and women are enlisting is the educational benefits afforded them under the New GI Bill. Obviously, the elimination of the New GI Bill educational benefits would impair the military's ability to recruit and retain high quality young people.

Trusting that your questions have been answered, I remain,

Sincerely yours,

Richard F. Schultz

RICHARD F. SCHULTZ
Associate National Legislative Director

RFS:am

# Chairman Dowdy to Elisted Association of the National Guard of the United States

ENLISTED ASSOCIATION OF THE NATIONAL GUARD OF THE UNITED STATES
ONE MASSACHUSETTS AVENUE NW
WASHINGTON, D.C. 20001

How important is it to our Armed Forces to recruit high quality young people?

A look inside a mobile communications van with its racks of electronic boxes that operate radio and radar equipment will begin to explain the dependency on mental quality. Watching maintenance people troubleshooting a problem on the M-1 Abrams tank with electronic computerized equipment will help. Spending a minute in the electronics shop of a military air base will soon make you aware of the importance of quality in the military workplace.

The sophistication of modern weapons systems require understanding complex theory. It is no longer the world of 'lock and load', trigger squeeze simplicity of bygone days. Today's soldiers, sailors and airmen are required to maintain and operate advanced technology weapons in the noise and confusion of the modern battlefield where decision and reaction times have been reduced to near-instantaneous manuever. One such weapon - the STINGER missle - requires 18 steps to fire, then the operator must remember to hold his breath for a second or two to avoid the noxious fumes expended by the firing. Clearly, this is not a task for the slow thinker.

Today's military services are computerized to a degree not even envisioned twenty years ago. Use of the computer is a daily activity in almost all military occupations. The drive to reduce reaction time in the employment of offensive and defensive weapons have spawned a world of black boxes that require extensive training and mastery of complex theory to maintain. Interpetation of electronic signals is a new dimension in optical acuity and mental recall. These systems are only as effective as the human mind is able to grasp their secrets.

Education - and the ability to expand the human intelligence - is key to maintaining the quality of our defense. As technology expands to provide quicker responses and decision-making, the demand for the human intelligence to understand, operate and maintain also increases. Quality - in people as well as equipment - is the key to maintaining a viable defense capability. We have come a long way in making a service career attractive to people of this caliber. We must maintain the momentum and continue to offer the incentives necessary to attract the best of our young people into the services. The New GI Bill has proven to be one of the best of these incentives. It encourages advanced education and provides the means whereby it may be achieved. The quality people we seek are attracted by it; it needs to be a permanent incentive program.

Alan D. Obermiller, CMS (Ret)
Executive Director

## CHAIRMAN DOWDY TO FLEET RESERVE ASSOCIATION

**FLEET RESERVE ASSOCIATION**

*Representing All Enlisted Personnel of the*
*U.S. NAVY ☆ U.S. MARINE CORPS ☆ U.S. COAST GUARD*

1303 New Hampshire Avenue, N.W., Washington, D.C. 20036 • (202) 785-2768

The following is the Fleet Reserve Association's answer to the question, "How important is it to our Armed Forces to recruit high quality young people?"

The Fleet Reserve Association believes it is vital that our Armed Services recruit the very best among high quality young Americans because:

- All those recruited should be graduates of high school. We are not just thinking of the academic knowledge a high school graduate possesses. A high school diploma proves that the individual has the purpose and persistence to achieve a basic goal in life. A high school graduate is a proven achiever.
- In today's technical world, the Armed Forces are the leaders in technology and common skills are becoming more complex and the technical skills have become so advanced that it will take the persons in the upper mental group categories to perform the skills required to maintain the state of readiness that our national defense requires.
- Today's Armed Forces offer almost unlimited training and education opportunities to those entering the service. Therefore, it is mandatory that those recruited have the basic education and learning ability to absorb this knowledge and apply it in a meaningful way.
- Today, we are in the All Volunteer Force age. That means the Services must compete with industry and private enterprise. This fact makes recruiting and training expensive. Another factor is the national demographics. These two factors combined requires that we recruit the highest quality because in doing so, we also improve the retention of personnel and thereby contain the costs of future recruiting and training of personnel.

# Chairman Dowdy to National Association for Uniformed Services

NATIONAL ASSOCIATION FOR UNIFORMED SERVICES
5535 HEMPSTEAD WAY
SPRINGFIELD, VIRGINIA 22151-4094
TEL. (703) 750-1342

*"The Servicemember's Voice in Government"*
*Established 1968*

Q: How important is it to our Armed Forces to recruit high quality young people?

A: It is critically important to our Armed Forces to recruit high quality young people. In fact, when considering the issue of combat readiness of our Armed Forces, the single-most important factor is the quality of the people who serve. This fact has been borne out in many ways and is clearly shown in tests and studies conducted by the Army. These studies showed that quality soldiers, those with high school diplomas and Armed Forces Qualifying Test (AFQT) scores placing them in the categories I through IIIA, perform better as the chart below shows:

| COMBAT ARM | AFQT CATEGORY | | |
|---|---|---|---|
| | I-IIIA | IIIB | IV |
| Air Defense - Stinger Missile successful engagements | 67% | 52% | 48% |
| Armor - Rate at which U.S. tank crews destroyed opposing tanks (NATO - Canadian Cup 1981) | 7 to 1 | - | 1.5 to 1 |
| Infantry - Rate at which riflemen would kill opposing infantry | 2 to 1 | 1 to 1 | 1 to 1 |
| Armor - Armor crewmen passing skill qualification training tests (SQT) | 94% | 92% | 79% |

The chart shows significantly higher levels of performance for the high quality soldier. As a result, savings can be achieved in training costs and training time. More importantly, when deployed in combat actions such as Grenada, lives would be saved and the chances of success would be greater.

Further, analysis of indiscipline indicators shows that the quality soldier is far less likely to be administered punishment under the Commanders Article 15, be court martialed, go AWOL or desert, or to commit violent crimes.

When all of these factors are considered, high quality young people are essential to high quality, combat ready Armed Forces.

# CHAIRMAN DOWDY TO NATIONAL ASSOCIATION OF VETERAN PROGRAM ADMINISTRATORS

NAVPA

**National Association of Veterans Program Administrators**

**Bertie Rowland, President**
c/o California State University, Chico
Veterans Affairs
Chico, California 95929-0711
(916) 895-5911

**QUESTION:**

**I believe one of the most important ramifications of the New GI Bill is the development of the really remarkable relationship that is developing between schools and the military. Would you comment on this and perhaps share any personal experiences you have had in this regard?**

**RESPONSE:**

One of the most visible responses by the military to the New GI Bills is their presence at National and Regional Meetings. During 1986, the National Guard provided speakers for the Annual Conference of the National Association of Veterans Program Administrators which was held in Denver, Colorado. The Guard had the opportunity to address about 200 veterans coordinators from across the country. They presented an excellent audio-visual experience for the group and emphasized their desire to make the NEW GI BILL a cooperative effort.

In addition to the presentation on the NEW GI BILL, a condensed seminar on leadership, called the Warrior I Project, was also demonstrated for the group.

The Army and National Guard were also participants of the regional meeting of the Alabama Veterans Affairs Association, both in 1986 and 1987. Addressing a different sector of education, a presentation was also made at the Los Angeles meeting of the American Association of Junior and Community Colleges (AACJC) in December. This meeting was attended by college administrators.

The response to the Army and the Guardsmen by the educational community has been enthusiastic, and there are many interesting ideas that have been brought to light. One such idea is that perhaps community colleges, technical schools and universities could more fully participate in the actual training of individuals for military service, thus addressing some of the duplication of systems between the military and civilian schools. An excellent starting point would be to review the American Council on Education (ACE) guide to evaluation of military credit, perhaps allowing colleges to provide more of this specific training for the military.

The new spirit of cooperation is perhaps a result of the realization that military service is truely not a divorce from the civilian sector. The military reserves have required that officers attain a certain level of education to retain their commissions or to be considered for promotion. This education is a civilian function. If the goals of the military are to be met, cooperation and communication with educational institutions is mandatory. It should be pointed out that prior to the enactment of Chapter 106, there was little reason for the educational community to work with local reserve units.

A negative factor (the difficulty with the Notice of Basic Eligibility) has actually precipitated a greater sense of "being a part in the same objectives" between veterans coordinators and reserve units. Both the reserve units and educational institutions have an interest in the reservist-student, and often must team up to solve the eligibility problem for the Chapter 106 student. A simple but visible step in this process was the sharing of key telephone numbers in the Pentagon with Veterans Coordinators. (Attachment A). When local efforts fail or cannot be initiated, the school official has access to a person who will resolve the problem. I have had several occasions to use the "pentagon connection" to identify a responsible person at the local level to address a specific problem - and can happily say that I have met great success.

The new GI Bills are viewed positively by educational institutions. For many of our students who require additional financial support, it is an honorable alternative for funding. It is fortunate that many of the Veterans Coordinators from the VCIP era (Vietnam-era Veterans program - Veterans Cost of Instruction Payments Program) have been retained by the educational institutions. It is also very fortunate that the new VETERANS EDUCATION OPPORTUNITY PROGRAM (VEOP) will go into effect on July 1, 1987. When this program becomes properly funded, it will encourage colleges and universities to retain their qualified professional staff in veterans services. Their presence on the campuses will help to forward the development of the military - civilian linkage.

I am always pleased to have the opportunity to support the Veterans Affairs Committee. Please contact me if there is any way in which I can assist you.

## CHAIRMAN DOWDY TO NATIONAL GUARD ASSOCIATION

QUESTION: How important is it to our Armed Forces to recruit high-quality young people?

GENERAL WEBER: High-quality personnel are a key element in achieving our national defense goals. The modern battlefield we must prepare for will be unlike any experienced in our nation's military history. Greater levels of intelligence, skills and leadership capabilities will be required to survive and win. Preparation time for going into battle will not be equivalent to previous situations. Therefore, we must maintain readiness and assure sustainability within our current force.

The complexity and quantities of modern equipment in the Armed Force, to include the National Guard and Reserves, require the ability to understand and work with multiple modern technologies. Even basic equipment has become more complex. Training levels for these technologies and the war fighting strategies that are in place require high-quality personnel.

The National Guard must maintain a high state of readiness with a part-time force. The ability to learn skills quickly and retain them over time with periodic refresher training is fundamental to the success of the Guard and Reserves. Total Force policies expect the Guard and Reserves to be interactive with and equivalent to the active components in educational levels and capabilities. Only high-quality personnel can assure our readiness capability, the success of the Total Force policy, and, in turn, the most-effective national defense.

## CHAIRMAN DOWDY TO NAVAL RESERVE ASSOCIATION

Naval Reserve Association reply to question posed by Cong. Wayne Dowdy, Chairman Veterans Affairs Subcommittee on Education, Training and Employment.

How important is it to our Armed Forces to recruit high quality young people?

The Naval Reserve Association has long recognized the importance of high quality enlistments into the Naval Reserve Force.

The very nature of the Naval Reserve Force structure which not only provides hardware equipped squadrons and ships but also furnishes individuals to augment active force ships and squadrons, has always been hi-tech in nature.

Today the complexity and sophistication of our modern weapons systems place an ever increasing demand for higher quality reservists.

The Naval Reserve essentially operates on a three year qualification training cycle. This requirement is driven both by the limited availability of the individual reservist and by the complex nature of our modern systems. Often fleet training courses must be compressed to accommodate the reservists. Additionally, the reservist must be able to assimilate and retain information gained in one month for 30 days until the next training session. Experience has demonstrated that only the high quality individual can successfully progress through this reserve training cycle and attain the required readiness qualifications.

The future will be even more demanding as newer equipment is assigned to the Naval Reserve.

It should also be pointed out that most of the Naval Reserve growth which occurs in the next three years is in the health care field i.e. Corpsman, lab techs, etc. Obviously then our requirement for high intelligence is also on the increase.

## CHAIRMAN DOWDY TO NAVY LEAGUE OF THE UNITED STATES

TELEPHONE
(AREA CODE 703) 528-1775

NAVY LEAGUE OF THE UNITED STATES
(FOUNDED 1902)

2300 WILSON BOULEVARD
ARLINGTON, VIRGINIA 22201

How important is it to our Armed Forces to recruit high quality young people?

On behalf of the 57,000 members of the Navy League, I am pleased to provide this response for the record.

The Navy League, in discussions with the Navy, Marine Corps and Coast Guard, realizes and reaffirms their position that nothing is more important to the military than its people, especially high quality people. There exist undeniable links between the quality of an individual entering the military and the trainability and retainability of that person. Navy, Marine Corps and Coast Guard figures over the last two years indicate that high quality young people are more likely to complete their enlistments, thereby qualifying for the new GI Bill. They are interested in bettering themselves and are more trainable, not only in their ability to complete basic training, but also in meeting advanced training. In addition, quality recruits, being more mature, prove to have fewer disciplinary problems which cause administrative burden, interrupt training and lower productivity.

Navy figures confirm that the higher a person scores on the Armed Forces Qualification Test (AFQT), the more satisfactorily he will complete recruit and specialty school training. For fiscal year 1986, only 88.5% of the recruits entering the Navy were in the upper mental groups. This will likely result in higher attrition rates in boot camp and a reduction in the number of suitable candidates for further schooling. This trend could have an adverse effect in the future, since the naval services' high-tech weapon systems require highly trained intelligent young men and women to maintain and operate them.

Despite the forecasted decline in the available pool of applicants the Navy, Marine Corps and Coast Guard, along with the other services, will be better able to attract high quality young people with the availability of the new GI Bill plus continued emphasis on providing recruiting incentives.

## CHAIRMAN DOWDY TO NON COMMISSIONED OFFICERS ASSOCIATION

NATIONAL CAPITAL OFFICE
NCOA
NON COMMISSIONED
OFFICERS ASSOCIATION

225 North Washington Street • Alexandria, Virginia 22314 • (703) 549-0311

**Question:** How important is it to our Armed Forces to recruit high quality young people?

**Answer:** It is very important. High quality young people represent the best financial investment of personnel dollars for several reasons. Foremost, a high quality recruit is more likely than a non high school graduate to complete his or her enlistment. This reduces attrition costs by as much as 30 percent. High quality recruits are statistically less likely to become discipline problems thus further reducing administrative support costs. High quality recruits are more receptive to technical training and retain more of what they learn requiring less retraining (again a savings in outlays) and are statistically more proficient in their occupational specialties. In summary, high quality recruits are cheaper and more proficient members of the Armed Forces than their lower mental category counterparts.

## CHAIRMAN DOWDY TO OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

RESERVE AFFAIRS

MAR 25 1987

March 23, 1987

Question: In your testimony, you state that there was an increase of 8,321 six year enlistments during the first fifteen months immediately following enactment of the New GI Bill. You also pointed out that 34,500 more selected reserve recruits were high school graduates than in fiscal year 1984. Can you quantify these increases for me in terms of cost savings associated with reduced training costs, reduced attrition, and lowered indiscipline?

Answer: It is too soon to determine the relationship between reduced attrition (and thus reduced training costs) and recruit quality due to the New GI Bill.

Military personnel quality has traditionally been defined in terms of educational attainment and aptitude test scores. The possession of a high school diploma is currently the accepted best single predictor of successful adjustment to the military. For example, the high school diploma graduate has had an almost 80-percent chance of completing his/her initial term of service compared with a 60-percent probability for the non-graduate. The quality of our most recent accessions reached a historic high. Improved compensation and quality of life programs, increased recruiting resources, a more positive perception of the Nation's youth toward the military, and outstanding support from an administration that has provided a positive environment for military service all contributed to this development.

Attrition continues to be a costly drain on the effectiveness and readiness of reserve component units, representing both a serious loss of trained manpower and a significant expense to train replacements. The following Table depicts the average cost estimates for recruiting and training each accession for the reserve components.

Reserve Components
Average Replacement Costs Per Person

| | Recruiting | Basic Training | Technical Training | Total |
|---|---|---|---|---|
| Army Components* | $ 2,100 | $ 4,879 | $ 9,521 | $ 16,500 |
| Navy | 3,193 | 3,126 | 2,401 | 8,720 |
| Air Components** | 1,673 | 4,852 | 13,660 | 20,185 |
| Marine Corps | 4,000 | 4,100 | 4,900 | 13,000 |

*Includes Army National Guard and Army Reserve
** Includes Air Force Reserve and Air National Guard

Caution must be used in estimating the effect of a single recruiting incentive in fulfilling all the accession requirements of the Services. Educational benefits provide a major incentive in attracting high-quality recruits, complementing other recruiting resources such as targeted enlistment and reenlistment bonuses, enlistment options and advertising funds.

Question: When we were in the field last week, enthusiasm for the New GI Bill was very high amongst those associated with the Guard and Reserves. Several of the recruits we talked with indicated they joined the Selected Reserve because of the New GI Bill. Do you or others on your staff go out and personally meet with recruits in order to get a feel for the impact of this and other benefit programs on these individuals?

Answer: All the Services report that the New GI Bill is very popular with their members. I am also aware of the popularity of the New GI Bill program among reservists from trip reports made by Mr. Montgomery which have been shared with my staff.

Question: We have had reports that, at the unit level, there appears to be some confusion regarding eligibility requirements for Chapter 106. What action is being taken by your office to ensure that these misunderstandings are cleared up?

Answer: We agree that there have been administrative problems associated with the New GI Bill program for members of the Selected Reserve. As with many new programs, start-up problems arose. Last November, our office issued clarifying guidelines and developed a comprehensive checklist for the Services to use in determining officer and enlisted eligibility. (We produced a controlled version of the Notice of Basic Eligibility (NOBE) form to ensure program integrity.) Additionally, the Department of Defense has developed new data elements and associated reporting systems in order to better manage the program. We have issued various memoranda to the Services emphasizing quality control measures and we meet regularly with Service representatives, the Veterans Administration, and the Defense Manpower Data Center to discuss problems associated with continued program integrity and efficiency.

## CHAIRMAN DOWDY TO OFFICE OF THE SECRETARY OF DEFENSE, RESERVE FORCES POLICY BOARD

OFFICE OF THE SECRETARY OF DEFENSE
RESERVE FORCES POLICY BOARD
WASHINGTON, D.C. 20301-7300

| | |
|---|---|
| Question: | How important is it to our Armed Forces to recruit high quality young people? |
| Answer: | The Reserve components are essential elements of the Total Force upon which our country relies for national security. The challenge of achieving and maintaining required readiness of National Guard and Reserve units requires qualified men and women - men and women who can be trained and are physically fit to fight and win. The Montgomery GI Bill is an important incentive in attaining qualified young men and women to serve in the Reserve Components. On March 11, 1987, the last quarterly meeting, the Reserve Forces Policy Board passed the following resolution: |

"Our national security policy to maintain peace through deterrence and to protect U.S. interests anywhere in the world requires a strong, fully-manned armed forces consisting of active and Reserve Component personnel. The Montgomery GI Bill of 1984 is an excellent recruiting aid which must become a permanent incentive. It is a "Nation Strengthening" educational incentive which provides ambitious, patriotic young men and women financial support necessary for increasing college expenses.

This bill will help the Armed Forces through the vicissitudes of the difficult recruiting years, which are predicted in the early 1990's according to current demographic analyses.

This Board, as the "principal adviser to the Secretary of Defense on matters relating to the Reserve Components" (10 USC 175(c)), strongly urges the Congress to support this bill and make it permanent law."

## Chairman Dowdy to Paralyzed Veterans of America

BOB MORAN, ASSOCIATE LEGISLATIVE DIRECTOR

PARALYZED VETERANS OF AMERICA

March 5, 1987

Honorable Wayne Dowdy
U.S. House of Representatives
Committee on Veterans' Affairs
335 Cannon House Office Building
Washington, D.C. 20515

Dear Chairman Dowdy:

Thank you for your letter dated February 20, 1987. I have reviewed your questions and below are my answers.

Question 1) Did you personally use earlier GI Bills or did you have friends or family members who did? Did this opportunity to further their education help them catch up with their peers who did not serve in the military?
Answer 1) Yes, I personally used the GI Bill (Chapter 34) and Vocational Rehabilitation (Chapter 31) and also had quite a few of my friends that did. Additionally alot of my friends and others, who did not serve in the military, furthered their education while I served in the United States Army in Vietnam. Upon my arrival back into the civilian workforce, it was clearly evident that prospective employers wanted individuals with either work related experience or the appropriate education within their respective area. I learned very quickly that my friends had over a two year headstart on me, so I decided to utilize my educational opportunity available through the VA to catch up, and even pass in some cases, my non-veteran counterparts. This education, a college degree, led to my becoming employed by the State in a very good job, suited to me and my education.

Question 2) If our Armed Forces did not have an educational assistance benefit to offer service candidates, what would be the effect on the ability of the military to recruit high quality young people?
Answer 2) I personally think, as it has been brought out in hearings and testimony, that the majority (90%) of the young recruits joining are high school graduates, up from approximately 50 percent in 1980, and a good majority of those joining state that the educational assistance benefits is the reason for them signing up. If it had not been for the educational benefits, I would have not joined the Army.

Sincerely yours,

Bob Moran
Bob Moran
Associate Legislative Director

BM/ef

## Chairman Dowdy to Reserve Officers Association of the United States

**Reserve Officers Association of the United States**

THE PROFESSIONAL ASSOCIATION REPRESENTING ALL MILITARY OFFICERS
ARMY ★ NAVY ★ AIR FORCE ★ MARINE CORPS ★ COAST GUARD ★ PUBLIC HEALTH SERVICE ★ NOAA

Question: How important is it to our Armed Forces to recruit high quality young people?

Gen. Hultman: The Reserve Officers Association believes that it is most desirable to have high quality young people manning our Armed Forces. The reasons behind this belief are many.

In the first place, it costs approximately $10,000 to recruit a service member. Statistics show that the upper mental category recruit is much more likely to complete his term of service than is a lower mental category recruit. The Army estimates that without the GI Bill there would be an annual reduction of approximately 6,000 highschool graduates in the upper mental categories. This in turn would increase attrition by 1,400 losses, at a cost in excess of $25 million when you factor in the retraining cost of replacements for those who do not complete their term of service.

In addition, high quality recruits are easier to train and are quicker to learn how to use the equipment associated with their military specialty. This in term reduces wear and tear and brings down training and unit operational costs.

Another decided benefit in having high quality recruits is the reduction in disciplinary problems. With the increased percentage of Mental Category I to IIIA personnel in the force structure, AWOL, desertion and other indiscipline rates have taken a dramatic nose dive.

All of these factors mentioned support the conclusion that we are able to have a stronger national defense if the services are manned by high quality soldiers, sailors and airmen.

The New GI Bill helps to recruit the quality personnel that the services need. The Reserve Officers Association supports HR 1085, which, when enacted, will make permanent the New GI Bill.

## CHAIRMAN DOWDY TO THE AMERICAN LEGION

The American Legion
For God and Country
★ WASHINGTON OFFICE ★ 1608 "K" STREET, N.W. ★ WASHINGTON, D.C. 20006 ★
(202) 861-2700 ★

1) Did you personally use earlier GI Bills or did you have friends or family members who did? Did this opportunity to further their education help them catch up with their peers who did not serve in the military?

I have numerous friends and colleagues who received both undergraduate and graduate degrees under the Vietnam Era GI Bill. There is no question that this provided a decided opportunity for them to maintain educational parity with their non-veteran peers.

2) If our Armed Forces did not have an educational assistance benefit to offer service candidates, what would be the effect on the ability of the military to recruit high quality young people?

It is my opinion that the effect would be disastrous. Moreover, the "baby bust", coupled with the increasingly high technical skills needed by all services, the effect would be even more severe in the years ahead.

## CHAIRMAN DOWDY TO U.S. COAST GUARD

US Department
of Transportation
United States
Coast Guard

Commandant
United States Coast Guard

Washington, D.C. 20593-0001
Staff Symbol G-CC
Phone (202) 366-4280

U.S. COAST GUARD RESPONSES
TO QUESTIONS REGARDING H.R. 1085
FROM THE
SUBCOMMITTEE ON EDUCATION, TRAINING, AND EMPLOYMENT
HOUSE COMMITTEE ON VETERANS' AFFAIRS

**1. Does an educational incentive attract a different kind of recruit from that attracted by bonuses? Is it important to your service to have both available?**

Yes. Recruits tend to fall into two categories: the college oriented and the employment oriented. Those in the former category are more attracted by educational incentives and the latter by bonuses. It is important to have both because they tend to appeal to different groups of people and, in the case of the Coast Guard, each has a specific purpose. The educational incentives provided by the New G.I. Bill are designed to attract individuals of high quality into the service. We use the Selective Reenlistment Bonus as a targetted incentive designed to manage and shape those individuals once they are in the work force.

**2. How are candidates for service informed of the benefits available to them under the New G.I. Bill?**

Coast Guard recruiters are knowledgeable about New G.I. Bill benefits. They make potential recruits aware of the education benefits available to them as part of the overall compensation package for which they are eligible. Individuals are given a briefing on the New G.I. Bill during the first week of Recruit Training or Officer Candidate School, and again during the second week of training, when they are required to sign their allotment forms for the program.

**3. There are those who assert that educational assistance benefits are an incentive to leave the service. What has been your experience with this? Do you agree with this assertion?**

The Coast Guard's only experience in this area has been with active duty personnel eligible for Vietnam-Era G.I. Bill. During the early 1980's individuals in this category indicated that they would have to leave the service to make maximum use of their education benefits, which expire in December 1989. However, the passage of the New G.I. Bill, with its option to allow Vietnam-Era G.I. Bill eligibles to convert their benefits to the new bill on 1 January 1990, negated that argument.

The primary purpose of G.I. Bill educational assistance benefits is to help military personnel readjust to civilian life after their separation from military service. However, that should not be construed to mean that the availability of such benefits serves as an incentive to leave the service.

It is too soon to determine if the New G.I. Bill benefits will be an incentive for individuals to leave the service. Participants will not have the opportunity to use such benefits until July 1987 at the earliest. However, it is possible that New G.I. Bill benefits could be an incentive to leave the service for individuals who made contributions to the program and then later decided that they did not wish to participate. Existing regulations prohibit granting a refund of New G.I. Bill contributions for any reason. Therefore, participants may leave the service because the benefits are available to them and are more lucrative out of service than in service. This is pure conjecture, however. We may wish to revisit this issue after a track record on the use of New G.I. Bill benefits has been established.

Enclosure

**4. How important is it to all of you to attract high quality young people to military service? What would be the effect, if in future years, you were without an educational assistance benefit and unable to bring into service your current high quality recruits?**

Improving employment opportunities and a declining youth population make current recruiting efforts for all of the military services an exceedingly challenging task. Therefore, the New G.I. Bill is becoming even more vital as a recruiting tool.

If, in future years, the services were to be without an educational assistance benefit and unable to bring high quality recruits into the service, the armed services would either be forced to return to a draft or would be required to recruit individuals of a lesser quality who would be unable to cope with the increased complexities of national defense. The disastrous ramifications of such a situation are obvious. Recruiting high quality individuals into the military service is not only important but **imperative** to our country's defense.

## CHAIRMAN DOWDY TO U.S. MARINE CORPS

Question: Does an educational assistance incentive attract a different kind of recruit from that attracted by bonuses? Is it important to your service to have both available?

General Cheatham: Our experience is similar to that described by General Elton. Generally, we find that the GI Bill appeals to the higher quality applicant we are seeking. The enlistment bonus program is a part of our force management effort. It provides an incentive that spreads the talents of new accessions throughout the force to meet our needs. We use the bonus program to attract the high quality accessions to the jobs we need them in, in the months that support our training capability, and for the terms of enlistment that most effectively invest our training dollars.

In other words, the GI Bill helps attract a high quality applicant to the Service while the bonus program focuses them into areas we need. As such, these two programs complement rather than compete with each other. Using them together, we were able to achieve an average term of enlistment of 4.4 years during FY-86 while improving all our quality indicators. It is very important for us to continue to have both programs available - to keep all of the tools in our tool kit.

Question: How are candidates for service informed of the benefits available to them under the New GI Bill?

General Cheatham: The term "GI Bill" has strong name recognition in our country, and is well regarded by the general population. We try to use this in our marketing by creating an awareness that the New GI Bill is available. We do this as part of our direct mail campaign in letters sent to high school and junior college students. We have developed posters, and handouts for our recruiters to take to the school guidance departments advertising the GI Bill. When the recruiter delivers these, we have provided him with a fact sheet on the program that helps him brief the guidance personnel on the details that they need to effectively advise the student. We have incorporated information on the GI Bill in our recruiters product knowledge book. This book is used in the applicant's home, generally with his parents, to answer a variety of questions about the Marine Corps including education benefits. Finally, recruiting stations send letters to both the applicant and parents after enlistment. These letters welcome the family aboard, and highlight a number of issues; our policy on drugs, personal behavior, and education. These letters don't provide all the answers, but do cause the applicant and parents to ask any questions of our recruiters.

All of this is followed by a presentation at recruit training where we explain the provisions of the GI Bill to the recruits and they make their choice. Several members of the Committee and members of the staff have had the opportunity to see our presentation at Parris Island.

Question: There are those who assert that educational assistance benefits are an incentive to leave service. What has been your experience with this? Do you agree with this assertion?

General Cheatham: That's an easy assertion to make, but when viewed, in a broader context I don't think it's a signficant concern. Let me start by saying that I'm not talking about the Reserve GI Bill - I believe there's a general concensus that the Reserve GI Bill is a superb recruiting and retention program that is working well.

When you discuss retention and the New GI Bill, I think you need to consider two aspects; first, retention through the first term and then, retention beyond the first term. The way the program is structured, a Marine must successfully complete a first enlistment to realize the benefit. The value of the benefit, coupled with his own investment of $1,200.00 serves as a powerful incentive for a Marine to keep at it and be successful. In this respect, the New GI Bill helps us to keep these high quality Marines in through their first enlistment.

When that first enlistment is done and a Marine is making a decision to reenlist or get out, the availability of the GI Bill will obviously be a factor. How important a factor is yet to be determined because the groups participating haven't gotten to that decision point. The negative incentive is partially offset by the option of in-service use and the fact that the benefit is not lost if not used at that time. Also, adequate funding of our Selective Reenlistment Bonus program, allows us to further reduce any negative incentive by attracting and retaining Marines with particular skills. This allows us to shape the force by better matching our people to the requirements.

I think the point that's often overlooked in this discussion is that we need to have at least 50% of our first term enlisted force get out after their initial enlistment to preserve the vigor of the force and to avoid stagnation of the promotion system. Recognizing this fact and realizing that many of our MOS's do not have the technical skills that carry over to a civilian job, we need to provide these young Americans a readjustment benefit to catch them back up with their contemporaries.

Question: How important is it to all of you to attract high quality young people to military service? What would be the effect if, in future years, you were without an educational assistance benefit and unable to bring into service your current high quality recruits?

General Cheatham: People are the single most important element of the Marine Corps - I can't over-emphasize that point. Our experience through the era of the All Volunteer Force is that as we increased quality, disciplinary problems and non-EAS attrition went down, while training and retention improved. In other words quality Marines produced a better, more combat-ready Marine Corps. It is very important to me that we maintain the caliber of our young Marines. If a reduction in the basic benefits package resulted in a marked decrease in quality, we would see an increase in the kind of problems that eventually degrade readiness, and cost money.

## CHAIRMAN DOWDY TO VETERANS' ADMINISTRATION

Office of the
Administrator
of Veterans Affairs

Washington DC 20420

Veterans
Administration

Q. 1. When we wrote the New GI Bill, we included as the first purpose for Chapter 30 the following: "To provide a new educational assistance program to assist in the readjustment of members of the Armed Forces to civilian life after their separation from military service..."

In your view, is the Congressional intent clear that the New GI Bill is, first and foremost, a readjustment benefit?

A. 1. Although readjustment is among the stated purposes of the New GI Bill, the VA traditionally has funded education programs aimed at providing readjustment benefits to conscripted war-time veterans. The New GI Bill's basic benefits, as well as the kickers, are used by DOD as a recruitment tool. Recruitment tools, including the previous peace-time education benefits program, traditionally have been funded by DOD.

Q. 2. I can't stress strongly enough the importance of a smooth, efficient implementation of the Chapter 30 and 106 programs. As I understand it, the proposed regulations have not yet been published and the interagency agreement has not been completed. When can we expect action to be completed on these?

A.2. Executive Order 12291 requires that before publishing notices of proposed rulemaking or final rules, agencies must submit them to the Director of the Office of Management and Budget (OMB) for review. The VA finished drafting regulations to implement chapter 30 on May 19, 1986. They were immediately sent to OMB for review.

OMB subjected these regulations to a lengthy review. Although members of my staff and other employees of the VA worked with OMB to secure the release of the regulations for publication, the review process is not yet complete. We estimate that proposed regulations will be published within a few months. The proposed regulations will not implement the portion of Public Law 99-576 which added more types of training to chapter 30. Regulations implementing that portion of PL 99-576 which applies to chapter 30 will appear at a later date.

The VA finished drafting regulations to implement chapter 106 on February 3, 1986, over thirteen months ago. Usually the Department of Defense develops regulations to implement title 10, U. S. Code. Since chapter 106 is a part of that title, it is necessary that we obtain the concurrence of the Department of Defense and the Coast Guard before publishing the proposed regulations.

They have been agreed to by the Department of Defense and currently are being reviewed by the Coast Guard. Following approval there, they must be reviewed by OMB.

We are well aware of the difficulties inherent in administering an education program without implementing regulations. We will strive to publish proposed regulations for this program as soon as all the agencies involved have agreed on their contents.

Let me just add that we do have published and distributed to the field stations circulars and other directives that assist in the administration of the New GI Bill programs.

As to the interagency agreement, the National Oceanic and Atmospheric Administration (NOAA) in the Department of Commerce and the Public Health Service (PHS) in the Department of Health and Human Services have concurred in the agreement which the VA prepared. However, the Department of Defense, the Department of Transportation, and Treasury have requested changes which we are now considering.

# CHAIRMAN DOWDY TO VETERANS OF FOREIGN WARS OF THE UNITED STATES

VETERANS OF FOREIGN WARS OF THE UNITED STATES

OFFICE OF THE DIRECTOR

Question #1 - Did you personally use earlier GI Bills or did you have friends or family members who did?........Did this opportunity to further their education help them catch up with their peers who did not serve in the military?

Response #1 - Yes, I and several members of my family have taken advantage of past GI educational programs. With respect to the impact the GI Bill has had on career advancement, I can best address my own history. Upon completing high school in 1966 I enlisted in the US Navy where I served for four years. The majority of my friends, however, went directly into college. Upon returning home these individuals were already embarking on their respective careers where as I was only involved in the initial planning stage. While they were already beginning their professional careers, I was just barely initiating the educational process which would allow me to even consider one of my own.

Nonetheless, I did enter into a course of study which I persued through the years. However, what was initially only a discrepancy in the level of educational achievement between my friends and I at that time was further compounded by a steadily widening gulf in economic and social status. They had, as it were, arrived where as I was still struggling to get underway.

Fortunately, thanks to the Vietman-Era GI Bill, I was provided with the economic means to achieve my educational goals. This educational achievement eventually lead to my also being able to embark on a professional career. It is very clear to me that without the Vietman-Era GI Bill, I would not be in the position today to respond to a congressional query, of no small importance, in the capacity as Assistant Director of the National Legislative Services of the Veterans of Foreign Wars. In this regard, I would also point out that the entire VFW National Legislative professional staff attended college under the Vietman-Era GI Bill.

But as to whether I've actually caught up with my peers, it is very hard to say. Certainly in terms of professional and academic accomplishment, I have at least drawn abreast of quite a number of them. But I also realize that the five year jump that they had on me in getting started in their professions has allowed them to gather additional expertise in there respective occupations along with having achieved a significantly greater degree of economic security. In other words, I believe had I gone directly into college and then straight to work, without first having served in the armed forces, my career might now be further along and I would certainly have more money in the bank.

Of one thing I am certain, however, without the Vietman-Era GI Bill, I would not be where I am today.

Question #2 - If our Armed Forces did not have educational assistance benefit to offer service candidates, what would be the effect on the ability of the military to recruit high quality young people?

Response #2 - As was stated in our written testimony, the VFW is convinced that the New GI Bill is dollar for dollar the most cost effective means of recruitment now in existence. The information gathered on this program leaves no doubt that the New GI Bill is directly responsible for dramatic gains in military recruitment and retention. This is allowing our nation to maintain and improve its military strength levels for both active duty and reserve forces without implementing a "draft."

In support of our assessment, the army has indicated that the New GI Bill is a stronger enlistment incentive for high quaility, college orientated youth than higher pay. The army has also said that 30% of the high quaility male high school graduates rated education benefits as the single most important reason for enlisting. Furthermore, an even higher percentage rated the New GI Bill as an important reason for enlisting, this is supported by participation rates now in excess of 80%. Finally the army has indicated that 43% of it's high quaility recruits would not have joined without the GI Bill plus Army College Fund. In summation, it is our view that if the GI Bill Educational Assistance benefit was eliminated, the impact on armed forces recruitment would be severly detrimental and that our all volunteer armed forces would be put in jeopardy.